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City of Laguna Hills



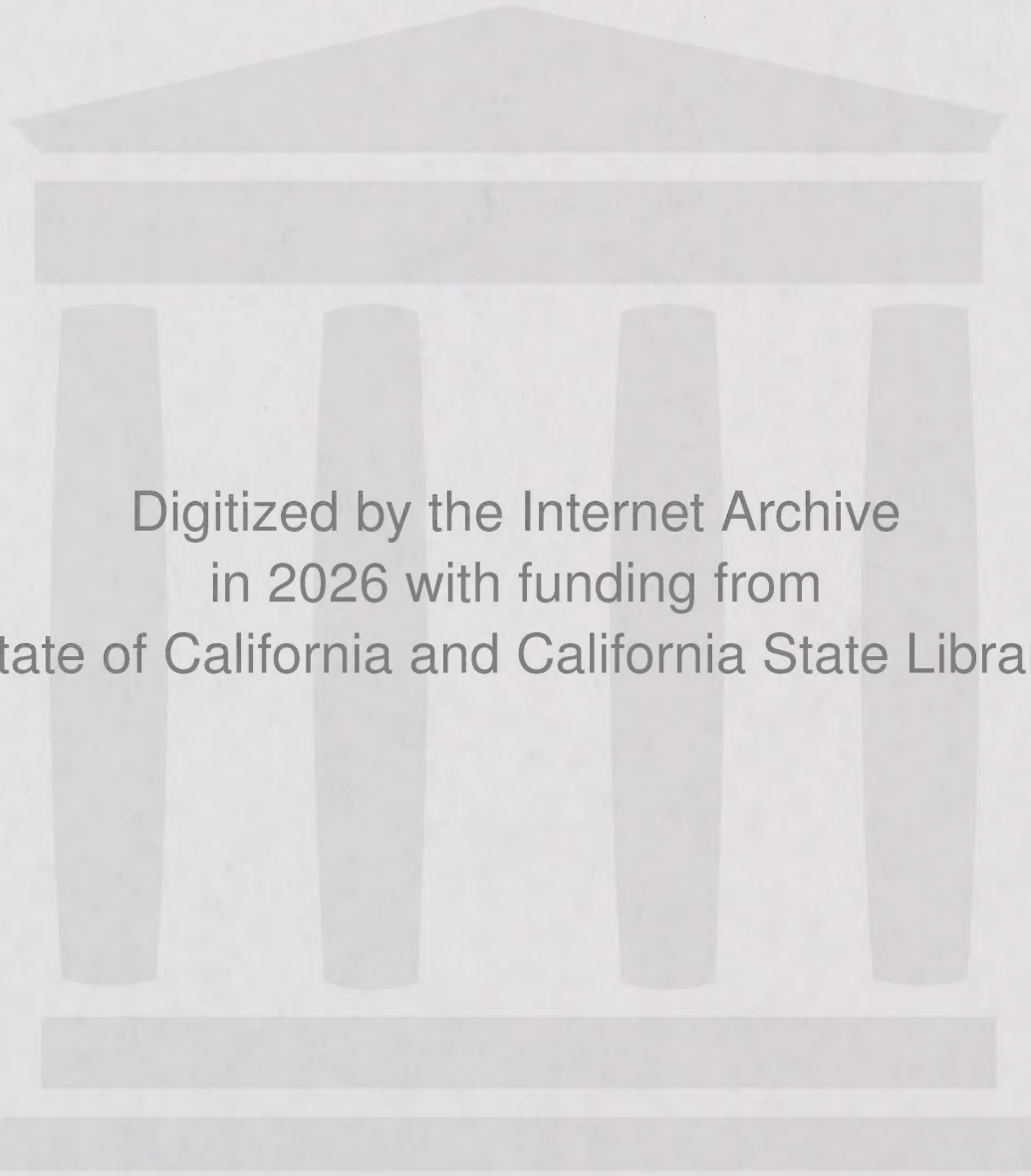
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Housing Element

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CITY OF LAGUNA HILLS
CITY COUNCIL
AGENDA REPORT
COMMUNITY DEVELOPMENT DEPARTMENT

**ISSUE: ADOPTION OF 2000 – 2005 HOUSING ELEMENT AND ATTENDANT
 NEGATIVE DECLARATION**

SUMMARY:

Article 10.6 of Chapter 3 of Division 1 of the California Government Code sets forth Housing Element requirements for General Plans. California State law requires each Housing Element to be updated every five years to reflect a community's changing housing needs. The 2000 – 2005 Housing Element is made pursuant to the update cycle for jurisdictions within the Southern California Association of Governments' region. The adoption process requires review and comment by the California State Department of Housing and Community Development (HCD) pertaining to Housing Element satisfaction of State Housing Element law. In addition, the process provides that a city adopt a revised Housing Element based on and consistent with comments received from HCD, or adopt an unrevised Element predicated on findings that set forth why the City believes the Element satisfies housing criteria.

The City has prepared a draft 2000-2005 Housing Element, which was reviewed by State HCD on two occasions. HCD has asked that the City revise the Element based on their comments. While staff has attempted to address HCD's comments, we are now at a point where we believe that the City has adequately addressed State Housing Element Law requirements and are recommending that the City self-certify the Housing Element. Section 65585 (f) (2) of California Housing Element law provides that a legislative body (i.e., City) may, if HCD finds a draft Housing Element amendment does not substantially comply with Housing Element law requirements, adopt the draft Housing Element, or draft Housing Element amendment, without changes. This action

RECOMMENDATION: THAT THE CITY COUNCIL: 1) CONDUCT A PUBLIC HEARING; AND 2) ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING THE 2000 – 2005 HOUSING ELEMENT OF THE CITY GENERAL PLAN AND CERTIFYING SUCH ELEMENT AS THE FINAL HOUSING ELEMENT AND ADOPTING THE NEGATIVE DECLARATION ATTENDANT TO THE 2000 – 2005 HOUSING ELEMENT."

must be accompanied by a resolution with findings that explain the reasons the legislative body believes the draft Housing Element Amendment substantially complies with Housing Element law requirements, despite the findings of HCD. A Resolution to this effect is attached to this Agenda Report.

BACKGROUND:

The City Council adopted the original General Plan Housing Element as a portion of the comprehensive Laguna Hills General Plan on June 28, 1994. Prior to adoption, the City furnished the California State Housing and Community Development Department (HCD) a copy of the draft Housing Element, pursuant to Section 65585 et seq of the California Government Code, and had received comments from the State about corrections the State believed necessary to bring the Element into conformity with Housing Element law. The Housing Element was revised based on HCD comments, and comments received from staff and Council during public workshops, and adopted on June 28, 1994. After its adoption, the Housing Element was again forwarded to HCD, which once again indicated that it believed that the Element did not fully comply with Housing Element law.

The City subsequently acted to re-adopt its Housing Element with minor modifications to comply with HCD comments. In re-adopting the Element, the City made findings that addressed why the City believed that the Housing Element did in fact comply with Housing Element law. This City action was conducted with full knowledge that although Housing Elements are subject to review and comment by HCD, the State Government Code vests final authority and responsibility for adoption with the local legislative body to ensure the local General Plan reflects the long-range constitution for development, based upon local needs.

To comply with State Housing law, the City of Laguna Hills has completed a revision (update) to the existing Housing Element. The 2000 – 2005 Housing Element contains current information and/or the most recent data available pertaining to the following: analysis of the City population; household, and employment bases; characteristics of City housing stock; narrative and analysis of present and projected needs of City households; review of potential market, governmental, and environmental constraints to meeting identified City housing needs; evaluation of resources available to address community housing goals; and, a Housing Plan to address identified City housing needs through housing goals, policies, and programs.

The 2000 – 2005 Housing Element was submitted for review twice to the State HCD. HCD issued two separate comment letters (dated March 13, 2001, and September 11, 2001) that provided a general outline and specific analyses of Housing Element contents. Staff revised and supplemented the 2000 – 2005 Housing Element in response to each comment issued by HCD in its March 13, 2001, letter and submitted a revised 2000 – 2005 Housing Element to HCD for review. The September 11, 2001, response from HCD indicated that most of their concerns had been addressed.

However, HCD believed that the Housing Programs in the Element still needed to be strengthened.

It is staff's opinion that the revised 2000 – 2005 Housing Element adequately reflects the housing goals of the City of Laguna Hills and contains appropriate and enforceable policies and programs to ensure provision for each economic and social segment of the City's population. Therefore, it is staff's recommendation that the City of Laguna Hills act to certify and adopt the 2000 – 2005 Housing Element (as modified) in response to the March 13, 2001, letter from HCD.

The action being recommended to Council is not new ground. Other cities have also adopted Housing Elements without obtaining HCD certification of those elements.

Findings that respond to the State Department of Housing and Community Development are provided within the Resolution attached to this Agenda Report.

FISCAL IMPACT:

No fiscal impact will result to the City of Laguna Hills from this action.

CEQA FINDINGS:

Staff has prepared an Initial Study and Negative Declaration for the 2000 – 2005 Housing Element. The Negative Declaration determined that the 2000 – 2005 Housing Element would not result in any environmental impacts. The document was available for public review and comment for the prescribed period under State law. A copy of the Negative Declaration is attached to this Agenda Report.

RECOMMENDATION: THAT THE CITY COUNCIL: 1) CONDUCT A PUBLIC HEARING; AND 2) ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING THE 2000 – 2005 HOUSING ELEMENT OF THE CITY GENERAL PLAN AND CERTIFYING SUCH ELEMENT AS THE FINAL HOUSING ELEMENT AND ADOPTING THE NEGATIVE DECLARATION ATTENDANT TO THE 2000 – 2005 HOUSING ELEMENT."

ATTACHMENTS:

1. Proposed Resolution
2. Negative Declaration
3. 2000 – 2005 Housing Element
4. State HCD Letter, dated September 11, 2001
5. City's Response/Second Submittal Letter, dated July 10, 2001, to State HCD Letter dated March 13, 2001
6. State HCD Letter, dated March 13, 2001

RESOLUTION NUMBER

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING THE 2000 – 2005 HOUSING ELEMENT OF THE CITY GENERAL PLAN AND CERTIFYING SUCH ELEMENT AS THE FINAL HOUSING ELEMENT AND ADOPTING THE NEGATIVE DECLARATION ATTENDANT TO THE 2000 – 2005 HOUSING ELEMENT

WHEREAS, the City of Laguna Hills, California, adopted a General Plan on June 28, 1994; and,

WHEREAS, the City did adopt all Elements of a General Plan as required by State Planning and Zoning Law, including a Housing Element pursuant to Article 10.6 of Title 7, Division 1 of the Government Code, making specific findings for adoption of the comprehensive General Plan and its Elements; and,

WHEREAS, the adopted General Plan is a policy document intended to facilitate decision making relative to physical development of the City and to reflect existing conditions, requirements, and constraints of the City; and,

WHEREAS, Government Code Section 65358 allows the City, when it deems it to be in the public interest, to amend all or part of the General Plan, provided that no single mandatory element may be amended more than four times during any calendar year, except that each amendment may include more than one change to the General Plan; and,

WHEREAS, the City of Laguna Hills did analyze all portions of the comprehensive General Plan and did issue and certify a Master Environmental Impact Report for the complete document, including the Housing Element; and,

WHEREAS, the City of Laguna Hills did prepare the 2000 – 2005 Housing Element in compliance with California State Housing Element law; and,

WHEREAS, the City of Laguna Hills did conduct an Initial Study pertaining to the 2000 – 2005 Housing Element, determined the 2000 – 2005 Housing Element would result in no impacts to the environment, and prepared a Negative Declaration for the 2000 – 2005 Housing Element; and,

WHEREAS, Section 65585 of the Government Code prescribes procedures for adoption of Housing Elements by legislative bodies of cities or counties upon consideration of the comments furnished by Housing and Community Development; and,

WHEREAS, the City of Laguna Hills City Council did consider comments received by the California State Department of Housing and Community Development, and revisions to the Housing Element prepared by City staff; and,

WHEREAS, notice of a public hearing before the City Council of the City of Laguna Hills concerning the 2000 – 2005 Housing Element was given in accordance with applicable law; and,

WHEREAS, a public hearing on the 2000 – 2005 Housing Element was held by the City Council on November 27, 2001.

NOW, THEREFORE, BE IT HEREBY RESOLVED, the City Council of the City of Laguna Hills, California, having conducted a noticed public hearing at a duly constituted regular meeting of said Council on November 27, 2001, resolves and adopts each of the actions indicated within this Resolution based upon findings contained herein.

Section 1. Adoption of Negative Declaration: The City Council finds the Negative Declaration prepared for the 2000 – 2005 Housing Element as adequate and hereby adopts the Negative Declaration.

Section 2. Housing Element Adoption: The City Council incorporates, by reference, and hereby adopts and certifies the General Plan 2000 – 2005 Housing Element of the City of Laguna Hills, dated November 27, 2001, as amended, as complete and as in compliance with Housing Element law. This action is taken based upon findings in response to Housing and Community Development comments related to the review of the City Housing Element contained in the Housing and Community Development letters of March 13, 2001, and September 11, 2001, attached as Exhibits 4 and 5, as follows:

A. Housing and Community Development Comment C.2 (letter dated March 13, 2001).

No revisions to the 2000 – 2005 Housing Element are necessary. In support of this fact, the City of Laguna Hills makes the following findings:

1. A detailed discussion of current City Zoning regulations is included in the 2000 – 2005 Housing Element, General Plan – Appendix A. Land within the 240-acre Urban Village area is zoned Village Commercial and is the most appropriate location for new housing opportunities. Land within the Urban Village already is developed with more than 2 million square feet of retail, medical, and professional office uses, and with 756 residential units on 31 acres. Attached dwellings can be constructed in the Urban Village area at a moderate density. In addition, zoning categories within the Urban Village would accommodate a variety of housing for all income levels, potentially including an emergency shelter and/or transitional housing.

2. Current City land use controls do not present a constraint to provision of affordable housing. Emergency shelters and transitional shelters are allowable uses in various zoning districts.
3. Provisions for granting incentives such as establishment of alternative development standards are part of the existing Laguna Hills Zoning Code ("Affordable Housing or Senior Citizen Housing Incentive Use Permit").

B. Housing and Community Development Comment C.4 (letter dated March 13, 2001).

No revisions to the 2000 – 2005 Housing Element are necessary. In support of this fact, the City of Laguna Hills makes the following findings:

1. The City of Laguna Hills recognizes its mandate to facilitate production of housing to meet needs of all economic and social segments of the community and is concerned about quality of the living environment created, integrity of the natural environment it is charged with managing, and impacts new housing will have on area roadway and infrastructure systems. Constraints to housing development must be assessed during planning for development, maintenance, and improvement of housing stock. When analyzing constraints on housing production it is important to distinguish between unreasonable and excessive constraints and other mandates placed by State and Federal governments on local municipalities, municipal finance, legitimate requirements to protect public health and safety, and required environmental impact(s) mitigation. The Laguna Hills 2000 – 2005 Housing Element contains a detailed analysis of governmental and non-governmental constraints to provision of housing affordable to low-income and moderate-income families
2. The 2000 – 2005 Housing Element analyzes governmental constraints to development of housing affordable to low-income and moderate-income families, including the following: zoning regulations; permit processing procedures and times; on site and off site improvement requirements; Building Code requirements and enforcement; development fees; and, State laws pertaining to Measure M and the California Environmental Quality Act.
3. The 2000 – 2005 Housing Element analyzes non-governmental constraints to development of housing affordable to low-income and moderate-income families, including the following: developer(s) market perceptions; availability of developable land; land and construction costs; condominium conversions; availability and cost of financing; environmental factors; and, infrastructure.

C. Housing and Community Development Comment A.1 (letter dated September 11, 2001).

No revisions to the 2000 – 2005 Housing Element are necessary. In support of this fact, the City of Laguna Hills makes the following findings:

1. The Laguna Hills 2000 – 2005 Housing Element contains a comprehensive statement of City housing policies and a specific guide for actions (programs) to be taken to implement these policies. The 2000 – 2005 Housing Element examines Laguna Hills current housing needs, estimates future housing needs, and establishes statements of community goals, concepts and strategies pertaining to those needs. Housing Programs are responsive to current and future needs and are constructed within the context of available resources and realistic quantified housing objectives.
2. The City of Laguna Hills' approach to provision of housing affordable to low-income and moderate-income families is stated in the "Community Development and Design" chapter of the 2000 – 2005 Housing Element. The California State Office of Housing and Community Development identified Regional Housing Construction Need allocation for Laguna Hills for the period 2000 – 2005 is "0" units. Therefore, there does not presently exist in the City any need for sites for housing construction. However, the City has included opportunities in its General Plan for development of additional multi-family projects on underutilized land within the City. In addition, the City allows for construction of second units ("granny flats") in single-family residential designated areas. These provisions ensure an opportunity to increase affordable housing stock in the City although there is little developable vacant land within City limits.
3. The City of Laguna Hills will inform prospective residential developers of affordable housing development opportunities within the Urban Village area prior to application submittal.
4. The Urban Village has been identified as the most appropriate location for new housing opportunities within the City of Laguna Hills. City land use and housing policies are intended to create new housing opportunities within existing multiple-family projects in the Urban Village area. New development within the Urban Village area must conform to a strict vehicular trip budget that would limit the potential for new units to a maximum 15 percent increase. Such increase would allow construction of an additional 113 multiple-family units within the Urban Village area.
5. The City of Laguna Hills Community Development Department has a strong commitment to implementing incentives specified in the City Zoning

Code that would expedite and facilitate development of housing affordable to low-income and moderate-income families.

6. The City of Laguna Hills does, and will continue to, participate in assisting public and private non-profit housing developers in preparation of funding applications for special needs populations.

D. Housing and Community Development Comment A.2 (letter dated September 11, 2001).

1. The City of Laguna Hills Zoning Code provides various opportunities for housing and related service opportunities for special needs populations. The 2000 – 2005 Housing Element identifies senior citizens as the primary needs population in the City of Laguna Hills. Accessory living quarters and second unit housing are conditional uses in all Residential districts. A boarding house is a conditional use within the Medium Low, Medium, and High Density Residential districts and requires a site development permit within the Office Professional, Village Commercial, Freeway Commercial, Community Commercial, and Mixed Use districts. A community care facility use has special requirements within all Residential districts, the Office Professional district, the Village Commercial district, the Mixed Use district, and the Community/Private Institution district. Guest quarters or guest home uses are accessory uses in all Residential districts except the High Density district. A single room occupancy housing facility is a use having special requirements within the Office Professional, Village Commercial, Freeway Commercial, Community Commercial, and Mixed Use zoning districts.
2. The City of Laguna Hills Zoning Code provides that mobile home parks are conditionally permitted uses within the Medium and High Density Residential districts and the Mixed Use district.
3. The City of Laguna Hills considers homelessness to be a regional problem throughout Southern California because homeless persons and families exist, or travel through, every city and populated unincorporated area of Orange County. Therefore, the City of Laguna Hills will continue to participate in finding a regional solution to this regional housing problem, including encouraging rehabilitation and reuse of military housing at the former Marine Corps Air Station El Toro for housing opportunities for low and moderate income individuals and families. In addition, the City of Laguna Hills recognizes the number of homeless in Orange County has increased by over 50% since 1990. The City of Laguna Hills will increase its role in the Orange County Continuum of Care housing and service delivery system.

E. Housing and Community Development Comment A.3 (letter dated September 11, 2001).

1. The City of Laguna Hills requires a Site Development Permit for some residential projects, including the following: manufactured homes and mobile homes in the Estate Residential and Low Density Residential districts; multiple-family dwellings, manufactured homes, and mobile homes in the Medium Low Density Residential district; multiple-family dwellings and manufactured homes in the Medium Density Residential district; and, multiple-family dwellings, single-family attached dwellings, and manufactured homes in the High Density Residential district. The City Zoning Code and planning procedures also provide for consideration of waiving fees and expediting processing times for site development applications that include proposals for housing for low-income and/or moderate-income families.

F. Housing and community Development Comment A.4 (letter dated September 11, 2001).

1. The City of Laguna Hills will submit Community Development Block Grant Fund applications to assist in preserving existing affordable dwelling units.

PASSED, APPROVED, AND ADOPTED this 27th day of November, 2001.

RANDAL J. BRESSETTE, MAYOR

ATTEST:

MARY A. CARLSON, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, MARY A. CARLSON, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY the foregoing Resolution is a true and correct copy of Resolution
No. _____, adopted by the City Council of the City of Laguna Hills, California, at a
regular meeting thereof, held on the 27th day of November, 2001, by the following vote:

AYES:
NOES:
ABSENT:

MARY A. CARLSON, CITY CLERK



NEGATIVE DECLARATION

Pursuant to the Procedures of the City of Laguna Hills for implementation of the California Environmental Quality Act, the City has completed an Initial Study for the project described below:

Project Title / Description:

City of Laguna Hills 2000 - 2005 Housing Element.

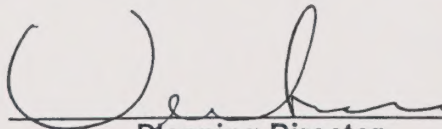
Project Location:

Citywide

And does hereby find:

That the proposed project cannot, or will not, have a significant effect on the environment. Negative Declaration status is therefore granted for this project. No mitigation measures are required for the proposed project.

Signature: _____



Planning Director

Date: _____

10/10/01

This determination is not final until adopted by the decision-making body.

**CITY OF LAGUNA HILLS
2000 – 2005 HOUSING ELEMENT**

INITIAL STUDY CHECKLIST

Project Title: City of Laguna Hills 2000 – 2005 Housing Element

Lead Agency Name and Address:

City of Laguna Hills
Planning Department
25201 Paseo de Alicia, Suite 150
Laguna Hills, CA 92653

Contact Person and Phone Number:

Vern Jones
Planning Director
(949) 707-2670

Project Location:

City of Laguna Hills, situated in the south-central portion of Orange County between the San Diego Freeway (Interstate 5) to the east and the City of Aliso Viejo to the west. The City is bordered by the City of Irvine to the north and the City of Laguna Niguel to the south.

Project Sponsor Name and Address:

City of Laguna Hills
Planning Department
25201 Paseo de Alicia, Suite 150
Laguna Hills, CA 92653

General Plan Designation: Not Applicable

Zoning: Not Applicable

Project Description:

The California State Legislature has identified the attainment of a decent home and suitable living environment for every Californian as the State's primary housing goal. Recognizing the important role of local planning programs in pursuit of this goal, the Legislature has mandated all cities and counties prepare a housing element as part of their comprehensive General Plans. Section 65302(e) of the Government Code establishes specific components to be contained in a community's housing element.

State Law requires the housing element to be updated every five years to reflect a community's changing housing needs. This update is for the years 2000 – 2005, pursuant to the update cycle for jurisdictions within the Southern California Association of Governments region. The last City of Laguna Hills Housing Element was for the period 1989 – 1994. The timing delay between the previous Housing Element and the currently proposed update has resulted from delays in the State Housing and Community Development Department in promulgating the Regional Housing and Needs Assessment construction numbers required as a prerequisite to any local jurisdiction being able to initiate a housing element update. The numerous delays encountered by the Housing and Community Development Department in producing and distributing the Regional Housing Needs Analysis construction numbers necessitated the State Legislature to issue numerous time extensions to the deadline for local jurisdictions in the Southern California Association of Governments region to produce their next housing element update.

The City of Laguna Hills Housing Element contains the following components:

- a. An analysis of the City population, household and employment base, and characteristics of housing stock.
- b. A summary of present and projected housing needs of City households.
- c. A review of potential market, governmental, and environmental constraints to meeting City identified housing needs.
- d. An evaluation of resources available to address community housing goals.
- e. A statement of the Housing Plan to address City identified housing needs, including housing goals, policies, and programs.

Surrounding Land Uses and Setting:

The City of Laguna Hills is located in the south-central portion of Orange County, between the San Diego Freeway (Interstate 5) to the east and the City of Aliso Viejo to the west. Surrounding communities include the City of Irvine to the north, the City of Lake Forest to the east, the Cities of Aliso Viejo and Laguna Beach to the west, and the City of Laguna Niguel to the south. Surrounding land uses include various urban residential and commercial uses and open space to the north and northwest.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

Environmental factors identified below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" or "Potentially Significant Unless Mitigated," as indicated by the checklist on the following pages.

	Aesthetics
	Agricultural Resources
	Air Quality
	Biological Resources
	Cultural Resources
	Geology and Soils
	Hazards and Hazardous Materials
	Hydrology and Water Quality
	Land Use and Planning
	Mineral Resources
	Noise
	Population and Housing
	Public Services
	Recreation
	Transportation/Traffic
	Utilities and Service Systems
	Mandatory Findings of Significance

LEAD AGENCY DETERMINATION

On the basis of the initial evaluation:

☒ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

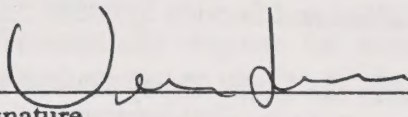
☐ I find that although the proposed project could have a significant effect of the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

☐ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis

as described on the attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.


Signature

Vern Jones
Printed Name

10-10-01
Date

City of Laguna Hills
Agency

EVALUATION OF ENVIRONMENTAL IMPACTS

This Section analyzes potential impacts associated with the proposed project. The issue areas evaluated in this Initial Study include the following.

- Aesthetics
- Agricultural Resources
- Air Quality
- Biological Resources
- Cultural Resources
- Geology and Soils
- Hazards and hazardous materials
- Hydrology and Water Quality
- Land Use and Planning
- Mineral Resources
- Noise
- Population and Housing
- Public Services
- Recreation
- Transportation/Traffic
- Utilities and Service Systems

The environmental analysis in this section is patterned after the Initial Study Checklist recommended by the California Environmental Quality Act Guidelines and used by the City of Laguna Hills in its environmental review process.

For evaluation of potential impacts, questions in the Initial Study Checklist are re-stated and an answer is provided according to the preliminary analysis undertaken as part of the Initial Study. The analysis considers the long-term, direct, indirect, and cumulative impacts of the project. To each question, there are four possible responses:

- **No Impact.** The project will not have any measurable impact on the environment.
- **Less Than Significant Impact.** The project will have the potential for impacting the environment, although this impact will be below the established thresholds that are considered to be significant.
- **Potentially Significant Impact Unless Mitigation Incorporated.** The project will have the potential to generate impacts which may be considered as a significant effect on the environment, although mitigation measures or changes to the project physical or operational characteristics can reduce these impacts to levels that are less than significant.
- **Potentially Significant Impact.** The project will have impacts which are considered significant, and additional analysis is required to identify mitigation measures that could reduce these impacts to less than significant levels. If the Impact remains significant, then written Findings of Fact and a Statement of Overriding Considerations would have to be adopted to approve the project.

CATEGORY	POTENTIALLY SIGNIFICANT IMPACT	POTENTIALLY SIGNIFICANT UNLESS MITIGATED	LESS THAN SIGNIFICANT IMPACT	NO IMPACT
AESTHETICS: Would the project:				
a. Have a substantial effect on a scenic vista?				X
b. Substantially damage scenic resources, including but not limited to, trees, rock outcroppings, and historic buildings within a State scenic highway?				X
c. Substantially degrade the existing visual character or quality of the site and its surroundings?				X
d. Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				X
AGRICULTURAL RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the project:				
a. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X
b. Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
c. Involve other changes in the existing environment, which, due to their location or nature, could result in conversion of Farmland to non-agricultural use?				X

AIR QUALITY: Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determination. Would the project:				
a. Conflict with or obstruct implementation of the applicable air quality plan?				X
b. Violate any air quality standard or contribute substantially to an existing or projected air quality violation?				X
c. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or State ambient air quality standard (including releasing emissions, which exceed quantitative thresholds for ozone precursors)?				X
d. Expose sensitive receptors to substantial pollutant concentrations?				X
e. Create objectionable odors affecting a substantial number of people?				X
BIOLOGICAL RESOURCES: Would the project:				
a. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				X
b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				X
c. Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited				X

to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				
d. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				X
e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X
f. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or State habitat conservation plan?				X
CULTURAL RESOURCES: Would the project:				
a. Cause a substantial adverse change in the significance of a historical resource as defined in Section 15064.5?				X
b. Cause a substantial adverse change in the significance of an archaeological resource pursuant to Section 15064.5?				X
c. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				X
d. Disturb any human remains, including those interred outside of formal cemeteries?				X
GEOLOGY AND SOILS: Would the project:				
a. Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				X
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault				X

Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				
ii) Strong seismic ground shaking?				X
iii) Seismic-related ground failure, including liquefaction?				X
iv) Landslides?				X
b) Result in substantial soil erosion or the loss of topsoil?				X
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in an on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				X
d) Be located on expansive soil, as defined in Table 18- 1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				X
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?				X
HAZARDS AND HAZARDOUS MATERIALS: Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				X
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				X
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X

d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?				X
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?				X
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				X
HYDROLOGY AND WATER QUALITY: Would the project:				
a.) Violate any water quality standards or waste discharge requirements?				X
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				X

d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?				X
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?				X
f) Otherwise substantially degrade water quality?				X
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?				X
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				X
j) Inundation by seiche, tsunami, or mudflow?				X
LAND USE AND PLANNING: Would the project:				
a) Physically divide an established community?				X
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				X
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?				X

MINERAL RESOURCES: Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the State?				X
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				X
NOISE: Would the project result in:				
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?				X
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?				X
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?				X
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				X
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?				X

POPULATION AND HOUSING: Would the project:				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or their infrastructure)?				X
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X
PUBLIC SERVICES				
a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				X
Fire protection?				X
Police protection?				X
Schools?				X
Parks?				X
Other public facilities?				X
RECREATION				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X

b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X
TRANSPORTATION/TRAFFIC: Would the project:				
a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?				X
b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?				X
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				X
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				X
e) Result in inadequate emergency access?				X
f) Result in inadequate parking capacity?				X
g) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?				X
UTILITIES AND SERVICE SYSTEMS: Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				X

b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which would cause significant environmental effects?				X
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?				X
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				X
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				X
g) Comply with federal, State, and local statutes and regulations related to solid waste?				X
MANDATORY FINDINGS OF SIGNIFICANCE				
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?				X

b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past project, the effects of other current projects, and the effects of probable future projects)?				X
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?				X

Special Notes:

- a. Answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- b. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect is significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
- c. "Negative Declaration: Potentially Significant Unless Mitigation Incorporated" specifies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." These Mitigation Measures must be listed and described to explain how they reduce the impacts to a less than significant level.

REFERENCES

1. City of Laguna Hills General Plan
2. City of Laguna Hills General Plan Environmental Impact Report
3. City of Laguna Hills Draft Housing Element, 2000 - 2005

PREPARERS OF THE INITIAL STUDY

Lead Agency: City of Laguna Hills
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ENVIRONMENTAL ANALYSIS

The following is a discussion of potential project impacts identified in the Initial Study. Explanations are provided for each item.

AESTHETICS: Would the project:

- a) Have a substantial adverse effect on a scenic vista?

No Impact.

- b) Substantially damage scenic resources, including but not limited to, trees, rock outcroppings, and historic buildings within a State scenic highway?

No Impact.

- c) Substantially degrade the existing visual character or quality of the site and its surroundings?

No Impact.

- d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?

No Impact.

Response (a – d): The proposed project includes the adoption of the 2000-2005 Housing Element. The project does not propose development. Existing housing development standards regarding height, setback, and design established in the City Zoning code will regulate future housing development. No impact will result.

AGRICULTURAL RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the project

- a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?

No Impact.

- b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?

No Impact.

- c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?

No Impact.

Response (a – c): The project area does not contain prime farmland, unique farmland, or farmland of Statewide importance. The project site is located within a suburban area and is zoned for a variety of uses, of which agricultural uses occur only in small isolated patches of activity for personal or limited retail use (e.g., strawberry patches, Christmas tree farms, etc.). No Williamson Act contracts have been executed in the project area. The project will not involve any changes to the existing environment that could result in conversion of farmland to non-agricultural use. No impact will result.

AIR QUALITY: Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:

- a) Conflict with or obstruct implementation of the applicable air quality plan?

No Impact.

- b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?

No Impact.

- c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or State ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?

No Impact.

- d) Expose sensitive receptors to substantial pollutant concentrations?

No Impact.

- e) Create objectionable odors affecting a substantial number of people?

No Impact.

Response (a – e): The proposed project will not result in an increase in development potential above the level currently allowed in the City adopted General Plan. No impact to air quality issues will occur as a result of the proposed project.

BIOLOGICAL RESOURCES: Would the project:

- a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?

No Impact.

- b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?

No Impact.

- c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?

No Impact.

- d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?

No Impact.

- e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?

No Impact.

- f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or State habitat conservation plan?

No Impact.

Response (a – f): No specific development is proposed. In addition, the adoption of the 2000 – 2005 Housing Element does not impact or modify existing development

regulations or City policies for preservation of biological resources. Future development within the City will be subject to environmental review as required by State law and City policy. No impact will result.

CULTURAL RESOURCES: Would the project:

- a) Cause a substantial adverse change in the significance of a historical resource as defined in California Environmental Quality Act Guidelines Section 15064.5?

No Impact.

- b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to California Environmental Quality Act Guidelines Section 15064.5?

No Impact.

- c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?

No Impact.

- d) Disturb any human remains, including those interred outside of formal cemeteries?

No Impact.

Response (a – d): The proposed project does not involve revisions to development standards that would impact cultural resources. Existing policies related to cultural resources will still apply to future development projects. No impact will result.

GEOLOGY AND SOILS: Would the project

- a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:

- 1) Rupture of a Known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State geologist for the area, or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.

No Impact.

- 2) Strong seismic ground shaking?

No Impact.

- 3) Seismic-related ground failure, including liquefaction?

No Impact.

- 4) Landslides?

No Impact.

- b) Result in substantial soil erosion or the loss of topsoil?

No Impact.

- c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?

No Impact.

- d) Be located on expansive soil, as defined in Table 18 1-B of the Uniform Building Code (1994), creating substantial risk of life or property?

No Impact.

- e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?

No Impact.

Response (a – e): The proposed project does not involve any physical development activity and therefore will not result in an impact related to geologic problems including fault rupture, seismic ground shaking, liquefaction, landslides, soil runoff, unstable soils, and expansive soils. All future development within the City will be subject to site specific geotechnical studies as determined appropriate by the City and will comply with applicable Building Code regulations. Furthermore, the project establishes programs and policies to facilitate housing rehabilitation and therefore has the potential to improve seismic safety of older housing in the City. No impact will result.

HAZARDS AND HAZARDOUS MATERIALS: Would the project:

- a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?

No Impact.

- b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?

No Impact.

- c) Emit hazardous emissions or handle hazardous or acutely hazardous material, substances, or waste within one-quarter mile of an existing or proposed school?

No Impact.

- d) Be located on a site included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, create a significant hazard to the public or the environment?

No Impact.

- e) Be located within an airport land use plan, or where such a plan has not been adopted, within two miles of a public airport or public use airport, and as such, result in a safety hazard for people residing or working in the project area?

No Impact.

- f) Be within the vicinity of a private airstrip, and as such, result in a safety hazard for people residing or working in the project area?

No Impact.

- g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?

No Impact.

- h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?

No Impact.

Response (a – d): The proposed project does not involve a specific development or hazardous materials. Future development within the City will be subject to hazardous materials regulations. No impact will result.

Response (e – f): The proposed project area does not contain an airport. The proposed project does not include development, and therefore would not result in a safety hazard for people residing or working in the project area. Future development will be subject to compliance with existing land use compatibility regulations for projects within the vicinity of an airport. No impact will result.

Response (g – h): The proposed project will not impair implementation of an adopted emergency response plan. The proposed project is located in a suburban area, the majority of which is developed. The Housing Element encourages enforcement of the Uniform Building code and Uniform Housing Code to mitigate unsafe conditions in the existing City housing stock. No impact will result.

HYDROLOGY AND WATER QUALITY: Would the project:

- a) Violate any water quality standards or waste discharge requirements?

No Impact.

- b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table (e.g., the production rate or pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?

No Impact.

- c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?

No Impact.

- d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?

No Impact.

- e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?

No Impact.

- f) Otherwise substantially degrade water quality?

No Impact.

- g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?

No Impact.

- h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?

No Impact.

- i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?

No Impact.

- j) Inundation by seiche, tsunami or mudflow?

No Impact.

Response (a – j): The proposed project does not include physical development. Therefore, no impact to hydrology and water quality will result. All future development within the project area will be subject to site specific environmental studies as determined appropriate by the City, and will comply with applicable City policies related to water issues.

LAND USE AND PLANNING: Would the project:

- a) Physically divide an established community?

No Impact.

- b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to, the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?

No Impact.

- c) Conflict with any applicable habitat conservation plan or natural community conservation plan?

No Impact.

Response (a – c): The proposed project involves adopting the 2000 – 2005 Housing Element; it will not physically divide an established community. The proposed project will not conflict with existing General Plan goals or policies. No habitat conservation plans or natural community conservation plans exist in the project area. No impact will result.

MINERAL RESOURCES: Would the project:

- a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the State?

No Impact.

- b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?

No Impact.

Response (a – b): The proposed project will not result in the loss of known mineral resources. No impact will result.

NOISE: Would the project result in:

- a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?

No Impact.

- b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?

No Impact.

- c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?

No Impact.

- d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?

No Impact.

- e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?

No Impact.

- f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?

No Impact.

Response (a – f): The proposed project will not generate any noise, groundborne vibration, or groundborne noise. No impact to ambient noise levels will result. The proposed project area does not contain an airport. Therefore, the project would not result in an exposure of people residing or working in the project area to excessive noise levels. Future development will be subject to compliance with existing noise regulations. No impact will result.

POPULATION AND HOUSING: Would the project:

- a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?

No Impact.

- b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?

No Impact.

- c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

No Impact.

Response (a – c): The proposed project does not involve additional housing development in the community beyond that established in the City General Plan Land Use Element. It will not alter the location, distribution, density, or growth rate of City population. The Housing Element contains programs and policies to address City future housing needs. The Housing Element also provides for conservation and improvement of

existing City housing stock. The Housing Element will not displace housing in the City. No impact will result.

PUBLIC SERVICES

- a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

- 1) Fire protection?

No Impact.

- 2) Police protection?

No Impact.

- 3) Schools?

No Impact.

- 4) Parks?

No Impact.

- 5) Other public facilities?

No Impact.

Response: The proposed project does not include physical development; therefore, additional demand will not be generated for fire protection, police protection, schools, parks, or other public facilities. New or physical alteration to existing facilities will not be required. No impact will result.

RECREATION

- a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?

No Impact.

- b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?

No Impact.

Response (a – b): The proposed project will not increase use of existing neighborhood facilities or require construction or expansion of recreational facilities. No impact will result.

TRANSPORTATION/TRAFFIC: Would the project:

- a) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?

No Impact.

- b) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections?

No Impact.

- c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?

No Impact.

- d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?

No Impact.

- e) Result in inadequate emergency access?

No Impact.

- f) Result in inadequate parking capacity?

No Impact.

- g) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?

No Impact.

Response (a – g): The proposed project will not generate traffic in the area because no new development is proposed. Furthermore, the project will not result in an increase in development potential above that projected in the City adopted General Plan. The proposed project is adoption of the 2000 – 2005 Housing Element that does not involve air traffic patterns. The proposed project does not include any design changes to the local roadway network or introduce incompatible uses. The proposed project does not include any physical development and therefore cannot result in inadequate emergency access or parking capacity. The proposed project does not conflict with adopted policies, plans, or programs supporting alternative transportation. No impact will result.

UTILITIES AND SERVICE SYSTEMS: Would the project:

- a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?

No Impact.

- b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?

No Impact.

- c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?

No Impact.

- d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?

No Impact.

- e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?

No Impact.

- f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?

No Impact.

- g) Comply with federal, State, and local statutes and regulations related to solid waste?

No Impact.

Response (a – g): The proposed project will not generate wastewater or a demand for water. Therefore, new facilities will not be needed. The proposed project will not increase the existing storm water runoff from the project area. Therefore, new storm water drainage facilities are not required. The proposed project does not include any physical development. Therefore, no solid waste will be generated. No impact will result.

MANDATORY FINDINGS OF SIGNIFICANCE

- a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?

No Impact.

- b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in the connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?

No Impact.

- c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?

No Impact.

Response (a – c): The Housing Element of the Laguna Hills General Plan is a policy document established to address the State housing goal of attaining a decent home and suitable living environment for every resident. The Housing Element itself does not provide for additional growth in the community; rather, the Housing Element works within the framework of the Land Use Element, which establishes the type and intensity of future residential development permitted in the City of Laguna Hills. Therefore, the Housing Element does not impact the natural or man-made environment of the Laguna Hills community.

- THE END -

LAGUNA HILLS HOUSING ELEMENT - INTRODUCTION

General Information

The City of Laguna Hills is located in South Orange County, approximately 60 miles southerly of Los Angeles and 70 miles northerly of San Diego. The City occupies 6.4 square miles and is home to 32,876 people and 600 businesses. Approximately 2/3 of the City land is residential in character. Varied topography has encouraged single-family development, curvilinear street patterns, large lot equestrian use, and traditional urban residential densities along minor ridgelines. Nellie Gail Ranch, a large lot equestrian-oriented community is the dominant single-family residential area. Multi-family development generally is clustered at the edges of single-family neighborhoods near major arterial highways and shopping centers and in the northwestern area of the City. Few areas within the City were developed without planned community guidelines and standards. Additionally, the City has two areas that provide a strong commercial and industrial base. The principal commercial area is the "Urban Village," which is anchored by the Laguna Hills Regional Mall, the Oakbrook Village Shopping Center, and Saddleback Memorial Hospital. This area includes approximately 2,000,000 square feet of retail, professional office, and medical-related building space. A second non residentially-dominant area is within the most northerly section of Laguna Hills, between Moulton Parkway and the Interstate 5 Freeway. This area includes approximately 352 acres of commercial and industrial uses generally oriented to freeway visibility and accessibility.

Laguna Hills General Plan

California State guidelines indicate the role of a General Plan is to establish a document that will "...act as a 'constitution' for development, the foundation upon which all land use decisions are to be based. It expresses community development goals and embodies public policy relative to the distribution of future land use, both public and private." As additionally mandated by State law, the General Plan does the following:

- Identifies land use, circulation, environmental, economic, and social goals and policies for the City and its sphere of influence as those goals and policies relate to land use and development;
- Provides a framework within which the City Council can make land use decisions;
- Provides citizens an opportunity to participate in the planning and discretionary process affecting the City and its sphere of influence; and
- Informs citizens, developers, decision makers and other agencies about the City's basic rules that will guide development within the City and its sphere of influence and provides similar notice about how the City envisions development in the surrounding unincorporated portions of the General Plan study area.

State law also requires a General Plan include seven mandatory elements: Land Use; Circulation; Conservation; Open Space; Noise; Safety; and Housing. In addition to these seven elements, the Laguna Hills General Plan includes "Fiscal Management and Municipal Facilities" and "Services" chapters as optional elements. The City of Laguna Hills has organized its General Plan into seven chapters that include an Introduction, Community Development and Design, Fiscal Management, Municipal Facilities and Services, Environmental Resources, Environmental Hazards, and Implementation and Monitoring Programs. State mandated issues and optional local and regional issues relevant to Laguna Hills are included within each chapter as separate elements.

The Laguna Hills General Plan is a comprehensive statement by the community of that which the community conceives is in its best interest. The General Plan expresses, in graphic and narrative formats, organization of physical, economic and social resources to create a healthful and functional living environment for City residents and to manage future growth and change.

Laguna Hills Housing Element

The California State Legislature has indicated the major housing goal of the State is attainment of a decent home and suitable living environment for every California resident. In 1980, the Legislature added Article 10.6 to the Government Code and incorporated into law Housing Element Guidelines promulgated by the California Department of Housing and Community Development. The 1980 revision was made in recognition of the significant role local planning programs played (and continue to play) in pursuit of the State goal and to assure local planning effectively implements State housing policy.

The State Government Code specifies the Legislature's intent to ensure counties and cities are active participants in attaining the State housing goal and establishes specific components to be contained in a housing element. These components include the following: identification and analysis of existing and projected housing needs, resources and constraints; a statement of goals, policies, quantified objectives, and scheduled programs for preservation, improvement and development of housing; identification of adequate sites for housing; and adequate provision for existing and projected needs of all economic segments of the community.

The City is required by State housing law to provide a detailed program to address the housing needs of its current and future residents. Specifically, the law requires the following:

The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, and quantified objectives and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, and mobile homes, and shall make adequate provision for the existing and projected needs of all economic segments of the community.

The Laguna Hills Housing Element is a comprehensive statement of City housing policies and a specific guide for actions to be taken to implement these policies. The Element examines Laguna Hills current housing needs, estimates future housing needs, and establishes statements of community goals, concepts and strategies pertaining to those needs. Housing programs are responsive to current and future needs and are constructed within the context of available resources and realistic quantified housing objectives.

The Laguna Hills Housing Element has been composed in a consistent and symbiotic relationship with other Elements of the General Plan. The Housing Element is contained within the "Community Development and Design" chapter of the General Plan. This section of the General Plan focuses on organization of the City's physical environment into a logical, functional and aesthetic pattern consistent with local social values, fulfills Measure M requirements for adoption of a growth Management Element, provides a summary of the manner in which other General Plan issues will affect arrangement and design of development within the City, and provides plans and programs requisite for provision of housing for all economic segments of the community. The Housing portion (Element) of the "Community Development and Design" chapter was developed in conformance with Government Code Sections 65580 - 65589.

California State law requires Housing Elements be updated at least every five (5) years. The City of Laguna Hills has prepared the following updated Housing Element in compliance with the 2001 deadline for jurisdictions within the Southern California Association of Governments region.

Data Sources

Various sources of information are consulted in preparing the Housing Element. The 1990 Census provides the basis for population and household characteristics. Although the 2000 Census has been completed, the information from such has not yet been released to the public. Therefore, the 1990 Census remains the most comprehensive and widely accepted source of information on demographic characteristics. Furthermore, the 1990 Census must be used in this Housing Element update to ensure

Element consistency with Regional, State, and Federal housing plans. The following sources and information have been used to supplement and update the information contained in the 1990 Census.

- Population and demographic data provided by the State Department of Finance.
- 1998/1999 school enrollment information provided by the State Department of Education and the Saddleback Unified School District.
- Housing market information, such as home sales, rents and vacancies, is provided by City surveys and property tax assessor files.
- Special needs data provided by local and County public and nonprofit agencies.
- Lending patterns for home purchase and home improvement loans provided through the Home Mortgage Disclosure Act (HMDA) database.
- Housing condition information provided by the City of Laguna Hills.

Public Participation

Opportunities for residents to recommend strategies, review and comment on the Laguna Hills Housing Element are an important component of Housing Element preparation. Copies of the Element will be disseminated for review at various locations throughout the Laguna Hills community, including the Laguna Hills Senior Center and Saddleback Community Outreach. Many Laguna Hills senior citizens who make use of the Senior Center facility and programs (such as the lunch program) will be able to examine the Draft Housing Element and suggest revisions or additions. The Saddleback Community Outreach office will be able to engage clients regarding the Housing Element. Generally, those clients are individuals or families in need of housing assistance funds, utilities funds assistance, or food. Many clients of Saddleback Community Outreach and the Laguna Hills Senior Center are potential or current beneficiaries of housing programs or services. Furthermore, the administrative staff at both the Senior Center and Community Outreach programs were active participants in research and comment necessary to prepare this Element. The authors of this Element conducted several interviews with administrative and staff representatives of those facilities. After review of the Draft Housing Element by the State Department of Housing and Community Development, public hearings will be held before the Planning Commission and the City Council. Notification will be published in the local newspaper in advance of each public hearing and copies of the Draft Housing Element will be made available for public review at the Laguna Hills City Hall, public libraries, and the Saddleback Unified School District.

COMMUNITY DEVELOPMENT AND DESIGN

HOUSING

Issues

- The Laguna Hills Housing Element provides housing programs for a five-year period (2000 – 2005). These programs are responsive to current housing needs, estimated future housing needs, and community goals pertaining to those needs. In addition, a Laguna Hills Housing Program has been constructed within the context of available resources and realistic quantified housing objectives.
- The City of Laguna Hills has very few vacant parcels of land available for residential development. Many of those vacant parcels represent separately improved single-family parcels within established neighborhoods. Few other parcels exist within medium and high density multiple-family developments. This lack of suitable land provides the City few opportunities to construct new affordable housing to meet the City goal of providing housing opportunities for all economic and social segments of its population.
- City population has increased by 7,229 (29%) since January, 1995. This increase is largely due to the 1996 annexation of the northerly sphere of influence of the City and to the October, 2000 annexation of a 149-acre area containing 769 residential units and 1,769 residents previously in the community of Aliso Viejo.
- The City of Laguna Hills has various "special needs" populations requiring housing. Among those identified as having special needs are the elderly, challenged (handicapped), female-headed households, homeless, and people living with HIV/AIDS.
- California State Department of Finance and Center for Demographic Research data, indicate a higher percent of City households contain five or more persons than the respective percentage found in Orange County. Unlike other cities in the County, where large family size often is indicative of lower income populations and overcrowded housing conditions, the City of Laguna Hills has attracted many high income families who reside in large homes. In the past, this might have led to the conclusion no overcrowding problem existed in the City of Laguna Hills. However, door-to-door research (interviews) conducted during preparation of this updated Element identified an overcrowding problem in one specific large apartment complex. Other apartment complexes within the City of Laguna Hills also might experience a problem with overcrowding.
- The Southern California Association of Governments Regional Housing Needs Analysis for 1999 has indicated the City of Laguna Hills has no quantified need to construct new affordable housing. As a result, the intent and framework of this Housing Element are to update data where possible (considering 2000 Census of Population and Housing data will not be available until early 2002), to assess current affordable housing opportunities within the City, to investigate and to identify housing requirements of special needs populations within the City, to evaluate adequacy of the existing Housing Element for satisfying requirements of identified special needs populations, and to propose a Housing Program that will accomplish the following goal of the Laguna Hills Housing Element.

Goal

The primary goal of the City of Laguna Hills Housing Element is to establish a framework for provision of adequate housing opportunities to serve all economic segments of its community, regardless of age, gender, race, ethnic background, national origin, religious preference, family size, marital status, physical challenge (handicap), or sexual orientation.

GENERAL PLAN APPROACH

Recognizing the Need for Housing

The means by which families and individuals of all economic and social situations are adequately housed within the context of high and rising housing costs and increasing competition for available physical and financial resources is a significant public concern. The State of California initially responded to this concern by amending the Government Code in 1980 to require each local jurisdiction include in the Housing Element of its general plan a specific analysis of jurisdiction housing needs and a realistic set of programs designed to meet those needs. Requirements of the law are prefaced by several statements of State policy, among which are the following:

- "...The availability of housing is of vital State-wide importance, and the early attainment of decent housing and a suitable living environment for every California family is a priority of the highest order." (Section 65580, State of California Government Code.)
- "...Local and State governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community (Section 65580, State of California Government Code.)
- "...The legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the General Plan and to cooperate with other local governments and the State by addressing regional housing needs." (Section 65580, State of California Government Code.)

The 1980 revision was made in recognition of the significant role local planning programs played (and continue to play) in pursuit of the State goal and to assure local planning effectively implements State housing policy. The State Government Code specified the Legislature's intent to ensure counties and cities are active participants in attaining the State housing goal and establishes specific components to be contained in a housing element. Specifically, the law requires the following:

The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, and quantified objectives and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, and mobile homes, and shall make adequate provision for the existing and projected needs of all economic segments of the community.

The Laguna Hills Housing Element is a comprehensive statement of City housing policies and a specific guide for actions to be taken to implement these policies. The Element examines current Laguna Hills housing needs, estimates future housing needs, and establishes statements of community goals, concepts and strategies pertaining to those needs. The Housing Program is responsive to current and future needs and is constructed within the context of available resources and realistic housing objectives. The Housing Program in this Housing Element includes a five-year schedule of actions the community is undertaking or plans to undertake to achieve its housing goals.

State law recognizes housing needs may exceed available resources. As a result, quantified objectives need not be identical to identified existing housing needs.

The Laguna Hills Housing Element has been prepared in accordance with State law, as amended in 1989. As of January 1, 1992, the State Department of Housing and Community Development (HCD) required each city to analyze units that assist in provision of low income housing within its jurisdiction that would be discontinuing, or are in jeopardy of being lost. According to HCD, this analysis should include the following.

- Inventory of units "at risk" of losing restrictions on their affordability.
- Cost analysis of preserving at risk units versus replacing those units.
- Documentation of non-profit agencies capable of acquiring and managing at risk projects.

- Identification of potential financing resources for housing preservation.
- Identification of number of at risk projects/units to be preserved.
- Identification of proposed efforts to preserve units at risk of losing affordability restrictions.

The Housing Element has been integrated into a comprehensive General Plan program designed to identify, document, and analyze housing related issues, and to solicit public input from all socioeconomic sectors of the community. Specific efforts to ensure public input from all socioeconomic sectors of the community included the following.

- All workshops and hearings pertaining to the Housing Element were conducted at a centralized location, conducted as public meetings, and legally noticed in a newspaper of general circulation.
- Early discussions about issues related to housing needs within the City were conducted with staff of the Orange County Housing Authority.
- Notices for Housing Element update public meetings were posted at the Laguna Hills City Hall and local libraries, and mailed to all public service agencies, the County of Orange, local homeowners associations, and interested individuals.

Laguna Hills' Role in Provision of Housing

The Southern California Association of Governments and California State Department of Housing and Community Development have assigned a zero (0) need for new housing construction for low and moderate income individuals and/or families in the City of Laguna Hills. Unlike other cities in South Orange County, Laguna Hills has little geographical opportunity to expand its available housing stock to accommodate new affordable housing project. This situation is complicated by the fact that although requirements for local affordable housing have not changed, State and Federal funding that assist development of affordable housing has decreased or disappeared, thereby making it difficult for cities to comply with State housing mandates. Lack of vacant land and decreasing Federal and State funding for affordable housing has led to formulation of the Housing Program for this Element in a regional context. Consequently, the City of Laguna Hills' approach to provision of affordable housing includes a combination of local and regional actions that accomplish the following:

- Integration, to the extent feasible, of new affordable projects that serve to meet City housing goals without sacrificing character of the community.
- Identification of a regional approach to addressing housing and service requirements of special needs populations because many special needs situations are regional in nature.
- Inclusion of provisions that address physical limitations, availability of land, topography, safety, and environmental impacts found in Laguna Hills.

Provision of Adequate Sites for Housing

The State Office of Housing and Community Development identified Regional Housing Construction Need allocation for Laguna Hills for the period 2000 – 2005 is "0" units. Therefore, there does not presently exist in the City any need for sites for housing construction. However, the City has included opportunities in its General Plan for the development of additional multi-family projects on underutilized land within the City. In addition, the City proposes to allow for construction of second units ("granny flats") in single-family residential designated areas. These provisions provide the opportunity to increase the affordable housing stock in the City.

Assisted Housing

The City will attempt to retain the number of assisted housing units in its boundaries to maintain existing affordable housing opportunities by working with the Orange County Housing and Community Development Division as outlined in the Housing Program section of this Element.

Maintenance of Existing Sound Housing

The majority of housing stock in Laguna Hills was constructed after 1970. As a result, the City of Laguna Hills has not experienced a significant problem with maintenance of its existing housing. However, as housing stock within the City ages property maintenance issues might occur. The City will attempt to prevent or lessen housing deterioration by working with local homeowners' associations to maintain a high standard of housing maintenance. Additionally, the City of Laguna Hills will continue to maintain and, where necessary, improve the City streetscape corridors and public spaces.

Housing for Special Needs Groups

The City of Laguna Hills will promote programs to ensure an adequate supply of housing that meets requirements of various "special needs" groups. Such programs will include expedited development processing and use of available State and Federal housing programs.

The Laguna Hills Zoning Code established site requirements for emergency shelters under the definition of "Community Care Facility." Such facilities serving 12 or fewer persons are permitted in any residential district subject to prevailing site development standards.

Prevention of Housing Discrimination

The City of Laguna Hills will promote fair housing practices through cooperation with, and referrals to, fair housing enforcement organizations.

STRATEGIES

Recognizing Need for Housing

B.1.1 Initiate all reasonable efforts to preserve, maintain, and improve availability and quality of existing housing and residential neighborhoods, and ensure full utilization of existing City housing resources for as long as physically and economically feasible.

B.1.2 To monitor closely County of Orange and City of Laguna Hills housing statistics for changes that could alter effectiveness of housing programs.

Laguna Hills' Role in Provision of Housing

B.2.1 To encourage provision of housing affordable to lower and moderate income households, to the extent required by law.

B.2.2 To increase affordable housing opportunities in a local context for low and moderate income households.

B.3.1 To provide a candidate location for housing on a site within the Urban Village area.

B.3.2 To expand and extend affordability of the Rancho Niguel and Rancho Moulton apartments, and the Aliso Meadows condominium development beyond year 2002.

B.3.3 To mitigate potential governmental constraints to housing production and affordability by increasing City role in facilitating construction of affordable housing.

B.3.4 To address a regional solution to the regional issues of providing affordable housing for low and moderate income populations.

Maintenance of Existing Sound Housing

B.4.1 To maintain and preserve City housing stock and improve energy efficiency of qualified homes, and to maintain and preserve City single-family, condominium, and apartment housing stock.

Housing for Special Needs Groups

B.5.1 To coordinate with the County of Orange to seek from the United States Department of Urban Development emergency shelter grants for homeless and others in emergency situations in areas of the region where most needed.

B.5.2 To collaborate with providers of special needs population services to develop affordable housing opportunities.

Prevention of Housing Discrimination

B.6.1 To support the intent and spirit of equal housing opportunities as expressed in the Civil Rights Act of 1886, Title VII of the 1968 Civil Rights Act, California Rumford Fair Housing Act, and the California Unruh Civil Rights Act.

CITY OF LAGUNA HILLS

GENERAL PLAN APPENDIX A

A. POPULATION AND HOUSING ASSESSMENT

The Population and Housing Assessment Appendix contains background data and analysis for the Laguna Hills General Plan Housing Element.

POPULATION GROWTH TRENDS

The decades between 1950 and 1970 were years of spectacular growth for Orange County. In 1950, just over 216,000 persons lived in the County; by 1970, the population had grown to over 1.4 million. During this time period, the majority of new development occurred in northern Orange County. Since 1970, Orange County's growth rate has declined substantially, although it still exceeds the State growth rate. In the 1970s, as vacant land became more scarce, growth shifted southerly with the appearance of new cities, such as Irvine, and new communities such as Mission Viejo, and Laguna Niguel.

During the 1980s, the southern portion of Orange County experienced between a four to five percent annual growth rate. The area that currently consists of the City of Laguna Hills experienced tremendous growth in the 1980s; its population increased 88 percent between 1980 and 1990 (an annual growth rate of 6.5 percent). The City growth rate slowed during the 1990s, when City population increased a total of 34.1 percent (an average annual growth rate of 3.4 percent). By 1999, the State Department of Finance had estimated the population of Laguna Hills to be 31,107. After annexing residentially developed land formerly in the community of Aliso Viejo, the October, 2000 population of the City became 32,876. (Reference Table A-1)

Table A-1
City of Laguna Hills
Population

Year	Total	Change
1980	12,181	N.A.
1990	27,888	88.3%
2000	32,876	42.9%

RACE AND ETHNICITY

The following information is based on the most recent information (1990 Census of Population and Housing) available for the City of Laguna Hills, as supplemented with information from Orange County Progress Report, 2000, compiled by the Center for Demographic Research at California State University, Fullerton. That information for the 1995 City of Laguna Hills Housing Element had originally been retrieved in two categories; the incorporated City, and the City sphere of influence. The City annexed that northerly sphere of influence area in 1996 and annexed a second parcel previously within the community of Aliso Viejo in October, 2000. The figures shown on Table A-2 reflect the sum of the 1990 incorporated City and the two annexations: that is, they are up to date as of November, 2000. In the 1990s, the population in Laguna Hills was less diverse ethnically than within Orange County as a whole. The majority (77.5 percent) of the 1995 City population was of Non-

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Hispanic White origin. In 1990, the non-Hispanic white population comprised 78.6 percent of the total County population of 2,410,556. (Reference Table A-2) In the 1990s, the City had a greater diversity of people than in 1980, when persons who classified themselves as white comprised 92.5 percent of its population. The "Spanish/Hispanic Origin" category was kept separate because this is considered an ethnic distinction and persons in this ethnic category may classify themselves in one or more racial categories. Table A-3 shows the estimated 1998 racial and ethnic composition of Laguna Hills. Figures indicate decreases in the percentages of the "White," "Asian/Pacific Islander," and "Other" populations that comprise the City population and an increase in the "Spanish/Hispanic Origin" population of the City.

Table A-2
Racial and Ethnic Composition (1990)

Race and Ethnicity	City of Laguna Hills		County of Orange	
	#	%	#	%
White	24,046	86.2	1,894,593	78.6
Black	404	1.5	42,681	1.8
Asian/Pacific Islander	2,658	9.5	249,192	10.3
American Indian	110	0.4	12,165	0.5
Other	670	2.4	211,925	8.8
Total	27,888	100.00	2,410,556	100.0
Spanish/Hispanic Origin ¹	2,520	9.0%	564,828	23.4%

Source: 1990 Census; Alfred Gobar and Associates, November 1992
County of Orange, 2000

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Table A-3
Racial and Ethnic Composition (1998)

Race and Ethnicity	City of Laguna Hills		2000 Annexation		Total City		County of Orange	
	#	%	#	%	#	%	#	%
White	24,229	79.4	Unavail.	Unavail.	24,229	79.4	1,571,784	57.5
Black	438	1.4	Unavail.	Unavail.	438	1.4	51,617	1.9
Asian/Pacific Islander	2,533	8.3	Unavail.	Unavail.	2,533	8.3	330,279	12.1
Other	119	0.4	Unavail.	Unavail.	119	0.4	13,081	0.5
Spanish/Hispanic Origin ¹	3,181	10.4	Unavail.	Unavail.	3,181	10.4	767,729	28.1
Total	30,500	100.0	Unavail.	Unavail.	30,500	100.00	2,734,490	100

Source: 1990 Census; Alfred Gobar Associates, November 1992; Center for Demographic Research, Orange County Progress Report, 2000; County of Orange estimates

¹Spanish/Hispanic Origin is technically an ethnic distinction; persons in this ethnic category often classify themselves in one of several racial categories.

HOUSEHOLD INCOME

An important component of housing affordability is household income. Upper income households have substantial discretionary income to spend on housing; low and moderate income households are more limited in housing they can afford.

According to the 1990 Census of Population and Housing, there was a wide range of household incomes within what now is the City of Laguna Hills. (Reference Table A - 4) In 1990, household incomes within the southerly portion of the City were higher than those within northerly portions of the City. This was the case because a majority of units in the southerly city were owner occupied single-family residences and a majority of units in the northerly City were condominium and rental units.

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Table A-4
Household Income (1990)

Income Level	City of Laguna Hills		County of Orange	
	Number of Households	Percent of Households	Number of Households	Percent of Households
Under \$20,000	817	8.5	137,276	16.6
\$20,000 - \$29,999	825	8.8	214,162	25.9
\$30,000 - \$39,999	853	8.9		
\$40,000 - \$49,999	1,125	11.7	101,512	12.2
\$50,000 - \$59,999	920	9.6	88,911	10.7
\$60,000 - \$74,999	1,439	15.0	100,197	12.1
\$75,000 - \$99,999	1,373	14.3	93,749	11.3
\$100,000 - \$124,999	916	9.5	43,810	5.3
\$125,000 - \$149,999	412	4.3	18,391	2.2
\$150,000 +	904	9.4	30,850	3.7
Total	9,584	100.0	828,858	100.0

Source: 1990 Census; Alfred Gobar Associates, November, 1992

AGE COMPOSITION

According to the 1990 Census, the largest group of persons in the City of Laguna Hills was between the ages of 35 and 44. (Reference Table A-5) The largest population group of Orange County was younger (between the ages of 25 and 34). Median age for the City was 31.97 in what was then the southerly incorporated portion and 33.56 in what was then the City northerly sphere of influence. Median age of the Orange County population in 1990 was 31.5 years.

The Center for Demographic Research has indicated the largest age group in the City of Laguna Hills in 1998 was the 35 – 54 age group, which also was the largest age group in the County of Orange.

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Table A-5
Age of Population (1990)

Years	City		County of Orange	
	Number	Percent	Number	Percent
5 & Under	2,500	9.0	217,171	9.0
6 - 9	1,626	5.8	129,743	5.8
10 - 13	1,572	5.6	119,261	5.6
14 - 17	1,519	5.4	121,740	5.4
18 - 20	1,139	4.1	119,052	4.1
21 - 24	1,508	5.4	175,390	5.4
25 - 34	5,017	18.0	489,232	18.0
35 - 44	5,415	19.4	378,712	19.4
45 - 54	3,515	12.6	259,699	12.6
55 - 64	1,576	5.7	181,565	5.7
65 - 74	942	3.4	130,021	3.4
75 - 84	888	3.2	67,450	3.2
85 +	671	2.4	21,520	2.4
Total	27,888	100.0	2,410,556	100.0

Source: 1990 Census; Alfred Gobar Associates, November, 1992

EDUCATIONAL ATTAINMENT

Education levels are important indicators of a variety of socioeconomic characteristics, especially occupation and income. According to the 1990 Census, 93.2 percent of residents of Laguna Hills over 25 years of age had at a minimum a high school diploma and 39.0 percent had a bachelor's and/or postgraduate degree. These high education levels indicate a community with a large percentage of people employed in high salaried, professional occupations. Salaries of these jobs increase the amount of household money available for housing and, as a result, increase demand for single family residences.

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EMPLOYMENT

In general, the workforce in the City of Laguna Hills is highly skilled. According to the 1990 Census, 76.6 percent of the employed persons in Laguna Hills worked in "white collar" occupations, while 23.4 percent of the City population worked in "blue collar" employment (Reference Table A-6). Overall, this represented a higher level of affluence in the community compared to the entire County of Orange.

The Center for Demographic Research estimated the total labor force among the Laguna Hills population in June, 2000 was 20,610, of which 20,290 were employed. Labor force is defined as the number of people 16 years of age and older who reside (within the City of Laguna Hills) who are employed or are seeking employment. The Center estimated that in 1997 that portion of the population of the City of Laguna Hills who were in the labor force were employed in the following industries: agriculture (78); mining (14); construction (826); manufacturing (1,134); transportation and public utilities (785); trade (3,457); finance, insurance and real estate (2,998); services (8,957); government (1,227); and, self-employed (1,593). This indicated the unemployment rate in the City in 1997 was 1.6 percent. Projected employment for year 2005 will be 23,469.

Table A-6
Occupations For Residents (1990)

Occupation	City of Laguna Hills		Orange County	
	Number	Percent	Number	Percent
White Collar	11,410	76.4	845,155	65.4
Professional/Technical	2,951	19.8	237,570	18.4
Managers/Proprietors	3,455	23.1	214,200	16.6
Clerical	2,249	15.1	212,958	16.5
Sales	2,755	18.4	180,427	14.0
Blue Collar	3,527	23.6	447,317	34.6
Craftsman	1,059	7.1	133,204	10.3
Operatives	456	3.1	109,981	8.5
Service Workers	1,620	10.9	141,327	10.9
Laborers	340	2.3	42,990	3.3
Farm Workers	52	0.3	19,815	1.5
Total Employment	14,937	100.0	1,292,472	100.0

Source: Alfred Gobar Associates, November, 1992

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UNIT TYPE

The Center for Demographic Research, in Orange County Progress Report 2000, included State Department of Finance estimates that the number of housing units in the City of Laguna Hills was 10,578 in January, 2000. The October, 2000 annexation of land previously within Aliso Viejo added 769 total dwelling units (322 single-family; 447 multiple-family) to this number to reach a total 11,347 dwelling units. After annexation of residential land formerly in Aliso Viejo in October, 2000, the City of Laguna Hills has 11,347 housing units. Of these total units, 6,280 (55.3%) are single-family detached units, 2,122 (18.7% are single-family attached units, 2,721 (24%) are multiple-family units arranged in 2 or more per building, and 224 (2%) are mobile homes. The Center for Demographic Research has projected there would be only seven (7) units added to the City housing stock by 2005, sixteen (16) units added to the City housing stock by 2010, and 151 units added to the City by 2025.

It should be noted for the years 1995 – 1999 only 16 building permits for new residential units were issued in the City of Laguna Hills. All those permits were for single-family residences.

**Table A-7
Housing Unit Mix**

Unit Type	City of Laguna Hills (2000)		County of Orange (1990)	
	Number	Percent	Number	Percent
Single-Family Detached	5,958	55.3	536,312 (Detached/ Attached)	61.6
Single-Family Attached	2,122	18.7		
Multiple-Family, 2-4 in Building	471	4.2	83,704	9.5
Multiple-Family, 5 and more in Building	1,803	15.9	213,848	24.3
Other Multiple-Family	447	3.9	8,812	1.0
Mobile Homes	224	2.0	32,396	3.6
Total	10,578	100.0	875,072	100.0

Source: 1990 Census; Alfred Gobar Associates, November 1992.; Center for Demographic Research, Orange County Progress Report 2000

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CONDITIONS OF UNITS

Laguna Hills was primarily built in the 1970s and 1980s, with just under 62 percent of the housing units being built between 1970 and 1984. Only 0.5 percent of the City's residential units were built before 1960 and no housing units were built before 1950.

Based on the average life span of a house, the accepted standard for major rehabilitation needs is after 30 years. In 1990, approximately seven percent of the City's housing stock was over 30 years old. By the year 2002, approximately 38.1 percent of City's housing will be 30 years or older. This indicates that there is a need for continued maintenance and a potential future need for targeted programs. However, affluence within the City indicates the great majority of single-family residents have maintained their homes and it is unlikely major rehabilitation will be necessary before 2005. Consequently, the City's housing stock is not anticipated to require significant rehabilitation.

The City Building Department conducted an evaluation of structural condition of the City's housing stock in December, 1992. Based on exterior evaluation, neighborhoods were rated as "very good," "good," "adequate," or "substandard." These evaluations are defined as follows.

- **Very Good Condition:** Recently built housing.
- **Good Condition:** Unit in good condition, with no outwardly apparent signs of decay.
- **Adequate Condition:** Structure generally sound, but in need of minor repair to correct deficiencies such as patched, loose, or missing roof material; cracking or peeling paint; broken or missing windows/screens; broken, weathered, or worn wood trim or siding; missing steps or porches; loose or worn wiring.
- **Substandard Conditions:** Structure contains minor or major structural deficiencies such as loose protective surface; settled porch or roof; weakened structure or inadequate building foundation.

According to the City Building Department, all housing units in Laguna Hills were in very good or good condition.

TENURE AND VACANCY RATE

Tenure distribution of community housing stock (owner versus renter) influences several aspects of the local housing market. Tenure influences residential mobility. Ownership housing has a lower turnover rate than rental housing. Housing overpayment, although faced by many households regardless of tenure, is far more prevalent among renters. Tenure preferences are related primarily to household income, composition, and age of householder. The 1990 Census of Population and Housing indicated 83.7 percent of total occupied units in Laguna Hills were owner occupied and 16.3 percent of total occupied units in Laguna Hills were renter occupied.

Vacancy rate for purposes of this analysis constitutes units available to renters or buyers. In 1990, the vacancy rate in the City of Laguna Hills was 6.5 percent, comprised of a 3.2 percent vacancy rate for for-sale housing units, and 1.4 percent for for-rent housing units, or which are vacant for other reasons such as vacation or occasional use residences. This was higher than the County of Orange vacancy rate of 5.5 percent, which included housing units for sale and for rent. Vacancy (percentage unoccupied units of total units), is a widely accepted indicator of housing need and choice and relative health of housing markets. A vacancy rate of four to six percent in a mature community generally

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indicates a stable housing market. Conversely, a high vacancy rate suggests there is an oversupply of housing. The California State Department of Finance and Center for Demographic Research have estimated 6.7 percent of residential units in Laguna Hills were vacant as of January, 2000. The corresponding vacancy rate for Orange County was 5.7%.

COST

Ownership Housing

In 1990, the majority of housing in the City of Laguna Hills was priced over \$200,000. Median value of housing in the City was \$333,453 within the southerly portion of the City and \$ 184,270 within the northerly portion of the City. The difference in median housing prices between the two sections of the City is due to large lot "upper end" housing units being located in the then-incorporated (southerly) portion of the City and condominiums comprising 77 percent of units in the then sphere of influence (northerly section of the City). Housing prices in the southerly section of the City were approximately 33 percent higher than the County median housing price. Housing prices in the northerly section of the City were approximately 73 percent of the County median housing price. When compared to the County median of \$250,300.00, the incorporated portion of the General Plan study area was approximately 33 percent higher, and the City sphere of influence represented only 73 percent of the County median.

Based upon the U.S. Census, in 1990 the median value of a home in Laguna Hills was \$234,400. While the 2000 U.S. Census median home value data is not yet available, the Orange County Association of Realtors has identified a median home value of \$270,000 for the City of Laguna Hills (based upon home sales from 11/8/00 to 11/8/01).

Rental Housing

Cost of rental housing in the City of Laguna Hills is significantly higher than cost of rental housing in the County of Orange. Contract rent is monthly rent agreed to or contracted for, regardless of furnishings, utilities, fees, meals, or other included services.

Median contract rent in the County was \$ 728 in 1990. Median monthly rent in the City was \$880 in 1990.

A newspaper survey was conducted to obtain more specific data on rental unit(s) type. [Reference Table A-13] The majority of rental units in the City were single family homes, town homes, or condominiums. The majority of rental units were five-bedroom units. Monthly rents ranged from \$950 to \$4,500; average monthly rents ranged from \$988 to \$3,980. There were few advertisements for apartment rentals within the City, which may have indicated a low vacancy rate in the City.

HOUSING AFFORDABILITY

State and federal standards for housing overpayment are based on an income-to-housing cost ratio of 30 percent and higher. Households paying more than 30 percent of their incomes for housing have less income remaining for other living necessities. It is recognized that upper income households generally are capable of paying a larger share of their incomes for housing; therefore, estimates of housing overpayment generally focus on lower income groups. To distinguish between renter and owner housing overpayment is important because, while homeowners may over extend themselves financially to purchase a home, the owner always maintains an option of selling the home. Renters are

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limited to the rental market and generally are required to pay the rent established in that market. An analysis of those households overpaying for housing is included in Tables A-8 and A-9.

Table A-8
City of Laguna Hills
Household Income versus Housing Expenditures (1990)

Number of Households Paying Over 25 Percent of Income on Housing				% of All Households in Class
Income Class	Owners	Renters	Total	
Very Low Income	237	602	839	93.22
Lower Income	231	482	713	84.58
Total	468	1,084	1,552	89.04

Source: Planning Network, 1994.

Table A-9
City of Laguna Hills
Household Income versus Housing Expenditures (1990)

Number of Households Paying Over 30 Percent of Income on Housing (1990)				% of all Households in Class
Income Class	Owners	Renters	Total	
Very Low Income	221	589	810	90.00
Lower Income	215	411	626	74.26
Total	436	1,000	1,436	82.39

Source: Planning Network, 1994.

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Table A-10
Housing Tenure (1990)

Type of Structure	City of Laguna Hills				County of Orange			
	Owner Occupied		Renter Occupied		Owner Occupied		Renter Occupied	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Single Family	6,576	92.0	810	33.7	428,367	86.2	89,311	27.0
Multiple Family	337	4.7	1,551	64.5	36,501	7.3	234,592	71.0
Mobile Home	192	2.7	12	0.5	28,223	5.7	2,232	0.7
Other	38	0.5	30	1.2	3,733	0.8	4,107	1.3
Total	7,143	100.0	2,403	100.0	496,824	100.0	330,242	100.0

Source: 1990 Census; Alfred Gobar Associates, November, 1992

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Table A-11
Housing Value (1990)

Housing Price	City of Laguna Hills		County of Orange	
	Number	Percent	Number	Percent
Under \$50,000	26	0.3	2,950	0.8
\$50,000 - \$74,999	10	0.1	1,985	0.5
\$75,000 - \$99,999	11	0.1	4,666	1.1
\$100,000 - \$149,999	634	7.5	75,812	18.2
\$150,000 - \$199,999	1,253	14.9	75,812	18.2
\$200,000 - \$299,999	3,236	38.5	160,372	38.5
\$300,000 - \$499,999	2,023	24.1	105,221	25.3
\$500,000 +	1,201	14.3	33,497	8.1
Total	8,394	100.0	416,242	100.0

Source: 1990 Census; Alfred Gobar Associates, November, 1992

Table A-12
Contract Monthly Rent for Renter-Occupied Housing Units (1990)

Monthly Rent	City of Laguna Hills		County of Orange	
	Number	Number	Number	Percent
No Cash Rent or Rent Under \$100	38	1.6	6,841	2.1
\$100 - \$499	157	6.4	29,291	9.0
\$500 - \$599	39	1.6	43,105	13.2
\$600 - \$699	346	14.2	67,814	20.7
\$700 - \$999	1,030	42.3	130,036	39.7
\$1,000 +	825	33.9	50,167	15.3
Total	2,435	100.0	327,254	100.0

Source: 1990 Census; Alfred Gobar Associates, November, 1992

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Table A-13
Rental Units
October, 2000

Number of Bedrooms	Number Advertised For Rent	Average Monthly Rent	Range
One-Bedroom	2	\$988	\$950 - \$1,025
Two-Bedroom ²	3	\$1,298	\$1,200 - \$1,395
Three-Bedroom	3	\$1,500	\$1,250 - \$1,750
Four-Bedroom	3	\$3,250	\$2,500 - \$4,200
Five-Bedroom	5	\$3,980	\$3,200 - \$4,500

Source: The Orange County Register

HOUSING NEEDS

Future Housing Needs

State housing element law requires that each city analyze its existing and projected housing needs for all income levels. This analysis must include a locality's fair share of regional need. Distribution of regional need is prepared by the Southern California Association of Governments (SCAG) in its Regional Housing Needs Assessment (RHNA). The current Regional Housing Needs Assessment (RHNA) was prepared in 1999 and assessed the regional housing need for the five year period 2000 – 2005. The City of Laguna Hills was assigned a zero (0) construction need by SCAG.

Housing Units Eligible for Conversion

State law requires each City to identify, analyze and propose programs in its General Plan Housing Element to preserve housing units currently restricted to low income housing. This section identifies all low income housing units in the City at risk of converting to market rate housing uses between 2000 and 2005. This inventory includes all multi-family rental units assisted under federal, State, or local programs including HUD programs, State and local bond programs, redevelopment programs, local in-lieu fees, and inclusionary, density bonus or direct assistance programs.

Two developments (Rancho Moulton Apartment and Rancho Niguel Apartments) are projects built in the early 1980s with Section 8 Construction funds. These two developments are located near one another along Via Lomas, between Alicia Parkway and Moulton Parkway. The projects were approved in one action by the County of Orange in 1980 as affordable to low and moderate income residents. Rancho Moulton and Rancho Niguel are apartment developments consisting of a total 102 units (80 two-bedroom units; 12 three-bedroom units; 10 four-bedroom units). Apartment sizes range from 954 square feet to 1,420 square feet. Project(s) approval included modifications to development standards pertaining to parking (number of spaces required; allowance of all parking to be uncovered; distance between unit(s) and assigned space(s) exceeding Zoning Code requirements), open space

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area, and area of paleontological park. Project approval also included first-time homebuyer/renter qualifications, an anti-speculation program, and a method of assuring continued affordability of the units to low- and moderate-income individuals and/or families. Furthermore, project(s) approval mandated that 29% of total units be made available to individuals/families earning 80% and below of the median family income in Orange County, 105 30% of total units be made available to individuals/families earning 81% - 100% of the median family income in Orange County, and 143 41% of total units be made available to individuals/families earning 101% - 120% of the median family income in Orange County. Two apartment units of the 102 approved currently are used as a manager's residence and a rental office.

The Section 8 Program is made available by the United States Department of Housing and Urban Development. Eligible tenants pay thirty (30) percent of their incomes for rent. The difference between the tenant contribution and actual contract rent is paid by Housing and Urban Development through subsidies to owners. Assistance is tied to the project and rents are subsidized only as long as the tenant(s) occupy(ies) the dwelling(s). Applications for Section 8 assistance must be made with individual managers of the apartment complexes. The Orange County Housing Authority has indicated there are approximately 5,000 people waiting for such assistance and that commonly waiting lists for apartments extend for periods of four or more years. The Orange County Housing Authority has indicated it had provided funds for 54 leased units within the City of Laguna Hills as of October 1, 2000. According to the Housing Authority, these three projects all are at risk of converting to market rate before 2005.

The United States Department of Housing and Urban Development sets Fair Market Rents throughout the United States annually, effective each October 1. Year 2000 rents established for Orange County increased approximately 11% from Year 1999 rents. In 1998, the Orange County Housing Authority established a "high rent" area in the coastal and southern regions of Housing Authority jurisdiction. The City of Laguna Hills is located within the "high rent" area. Rents within the "high rent" area could escalate to 110% of published Fair Market Rents. High Rent areas were established to compensate for higher rents charged in these areas. On October 1, 2000, the Fair Market Rate/Voucher Standard for "high rent" areas throughout the Orange County Housing Authority jurisdiction increased to the following monthly rents: 0-Bedroom Unit (\$806); 1-Bedroom Unit (\$880); 2-Bedroom Unit (\$1,089); 3-Bedroom Unit (\$1,515); and, 4-Bedroom Unit (\$1,686). The Department of Housing and Urban Development recently published new regulations that allow Orange County to raise its Fair Market Rents to a higher standard than previously published (set at 50% of area wide median rents). The following monthly rents for "high rent" areas within Orange County will become effective on December 1, 2000: 0-Bedroom Unit (\$851); 1-Bedroom Unit (\$929); 2-Bedroom Unit (\$1,150); 3-Bedroom Unit (\$1,600); and, 4-Bedroom Unit (\$1,780). These higher rental assistance levels will enhance the ability of Housing Authority Section 8 Voucher holders to find and maintain leaseholds in the difficult Orange County rental market.

Table A-14 below indicates the Rancho Niguel and Rancho Moulton multi-family residential rental projects have Section 8 Rental Assistance opt-out dates of June, 2001. The owner (Rancho Moulton, LTD) of the Rancho Niguel and Rancho Moulton projects has contacted each resident and informed the residents in writing that the Section 8 contract that pays the government's share of the apartment rent expires on June 18, 2002. The owner further informed each resident that it intended to renew the current Section 8 contract when it expires "if Congress makes funds available."

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Replacement Costs

This section analyzes cost of replacing 102 assisted units in the Rancho Niguel/Rancho Moulton Apartments should they be converted from very low-income and low-income uses. Two replacement options will be discussed: purchase of similar units to replace the at risk units; and construction of new assisted housing units.

Purchase of Similar Units – Current market value of at-risk units generally can be estimated on the basis of potential income, operating and maintenance expenses, and building conditions. Current market value of the 102 units is estimated to be \$12,418,384.

Project Units	Affordable Units at Risk
2 Bedrooms (954 sq. ft.)	80
3 Bedrooms (1,187 sq. ft.)	12
4 Bedrooms (1,420 sq. ft.)	10
Total Units	102
Annual Operating Cost (\$4/sq. ft.)	\$419,056
Gross Annual Income	\$1,548,000
Net Annual Income	\$1,128,944
Market Value	\$12,418,384

Market value for each project is estimated according to following assumptions:

1. Average market rate for 2-Bedroom Unit = \$1,150; Average market rate for 3-Bedroom Unit = \$1,600; Average market value for 4-Bedroom Unit = \$1,780
2. Vacancy rate = 5%
3. Market Value = (annual net project income)(factor)
4. Factor for building in moderate condition = 11

Construction of Replacement Units – Cost of developing new housing depends on a variety of factors such as density, size of units, location and related land costs, and type of construction. According to the 1999 Orange County Affordable Housing Strategy, a typical two-bedroom apartment costs approximately \$150,000 to develop. Assuming a three-bedroom apartment would cost 20 percent more to develop than a two-bedroom unit and a four-bedroom unit would cost 20 percent more to develop than a three-bedroom unit, total cost of constructing 102 new units to replace units at risk would be approximately \$16,320,000, substantially more expensive than subsidizing existing units or purchasing existing units.

Both purchase of similar units and development of new units require significant initial expenditures. Although annual rent subsidies required to preserve the 102 assisted units can be relatively low, long-term affordability of the units could not be assured. Other financial incentives may be necessary to make negotiation packages more attractive to property owners.

Costs to refinance an existing bond under the current owners are based primarily on outstanding debt and difference in interest rates on remaining debt between previous and renegotiated bond packages. Refinancing the existing bond likely is the least costly preservation option for a bond-financed project. The County of Orange has refinanced several expiring mortgage revenue bond projects and should be contacted regarding potential refinancing of Rancho Moulton and Rancho Niguel.

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Table A-14
Assisted Housing at Risk of Conversion (2000 – 2005)

Project Name	Location	Type of Assistance	Length of Affordability Controls	Earliest Potential Conversion Date	Number of Units	Number of Affordable Units
Rancho Moulton	25752 Via Lomas	Section 8 Rental Assistance	Indefinite	2001	51	51
Rancho Niguel	25952 Via Lomas	Section 8 Rental Assistance	Indefinite	2001	51	51

Source: County of Orange, County Administrative Office, 1993; Orange County Housing Authority, 2000

HOUSEHOLD CHARACTERISTICS

General Characteristics

The Bureau of the Census defines a "household" as all persons who occupy a housing unit, which may include single persons living alone, families related through marriage or blood, and unrelated individuals living together. Persons living in retirement or convalescent homes, dormitories, or other group living situations are not considered households. Characteristics of the population provide an essential component toward understanding growth and change in a community. Additionally, information collected on the household level provides a sound base for analysis of community housing needs.

Household Composition

In 1990, there were 9,806 households in the City of Laguna Hills. Families represented the City's predominant household type by comprising 76 percent of the households in the southerly (then incorporated) section of the City and 66 percent of the households in the northerly (then sphere of influence) section of the City. The County of Orange family household figure in 1990 was 72 percent.

Household Size

Household size is an important indicator of population growth and overcrowding in individual housing units. In 1990, the average household size in the City of Laguna Hills was 3.03 persons per household for its southerly section and 2.45 persons per household for its northerly section. This characteristic is juxtaposed by the fact that the southerly section of the City is comprised of a majority of family households (75.7 percent) in sizable homes. The County household size in 1990 was 2.91 persons per household.

Household size also is an indication of overcrowding. The standard measure of overcrowded housing used by the Bureau of the Census is a ratio of more than one person per room, excluding bathrooms, kitchens, hallways, and porches. Less than 9 percent (210 units) of renter-occupied housing units in

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the City of Laguna Hills in 1990 were overcrowded. The Census estimated that in the County over 5 percent (26,859 units) of owner-occupied housing was overcrowded and 20 percent (65,632 units) of renter-occupied housing was overcrowded.

Housing units within the City were less likely to be overcrowded compared to the County. According to the 1990 Census, only 193 (2.7 percent) of owner-occupied housing units in the City had over 1.01 persons per room. Although 1990 Census of Population and Housing figures indicated the City of Laguna Hills had a very small problem with overcrowded residential units, door-to-door interview research conducted during preparation of this Housing Element indicated that in one 260-unit apartment complex in Laguna Hills, tenants in 32 units had been evicted in a two-month span of year 2000 due to overcrowding. Apartment management indicated non-qualifier residency often led to such overcrowding and that often individuals/families who were qualifying residents rented a bedroom(s) to other families.

Special Needs Households

Certain segments of the population may have a more difficult time finding decent affordable housing due to special circumstances. The State of California defines "special needs" households as the elderly, disabled persons, large families, female-headed households, farm workers, and the homeless. This Housing Element has included people living with HIV/AIDS in the "special needs" population. In 1990, special needs persons and households comprised approximately fifteen (15) percent of the population of the City of Laguna Hills.

Elderly

In 1990, the fastest growing segment of the County population was older adults (ages 65 and older). Federal regulations stipulate senior citizens are presumed to have "presumptive benefit" for Americans With Disabilities Act mandated provisions. Additionally, special housing needs of many elderly persons result from lower, fixed incomes, physical disabilities, and dependence needs. The County estimated eight (8) percent of its senior citizens were home bound or shut-ins, and approximately 46 percent of the elderly residing in the community required some assistance to remain independent.

In 1990, there were 2,501 elderly persons (65 years of age or older) in Laguna Hills, 658 of whom resided in the northerly section of the City. This number represented nine (9) percent of the City population. Census data indicate approximately 4.8 percent of elderly persons in the City lived below the federally-established poverty line. The Center for Demographic Research has indicated that the 1997 elderly population (65 years of age or older) in Laguna Hills was 3,645 (12.1 percent of City population).

There are many social services programs for elderly persons in Orange County, such as the following that are located in, and near, the City of Laguna Hills.

- *Florence Sylvester Memorial Senior Center* (24310 Moulton Parkway, Suite C) offers a nutrition program, congregate meals, home delivered meals, case management, multiple senior services and activities, information, and referral. This Center is administered and managed by South County Senior Services. In October, 2000, the Senior Center served 400 – 500 patrons daily, including 125 – 200 lunches served. Approximately fifteen (15) percent of Center patrons live in the City of Laguna Hills.
- *Home Helping Hands Registry* (23547 Moulton Parkway, Suite 212) is a program of the Volunteer Center of Greater Orange County that refers independent providers of in-home care for frail older or handicapped persons in Orange County.

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- *Iglesia Park – County of Orange* (24671 Via Iglesia) offers senior lunches, socialization, and group meeting opportunities.
- *Jewish Family Service* (23421 South Pointe Drive, Suite 155) offers full service center for seniors and serves kosher lunch program Monday through Thursday.
- *Meals on Wheels a Home Delivered Meals Program* provides hot meals to elderly shut-ins and is available in Laguna Hills. This Program is administered by South County Senior Services, which has indicated it serves four (4) Laguna Hills residents.
- *Saddleback Community Outreach* (23011 Moulton Parkway, Suite 12) is a non-profit organization that opened in August, 1989. It is funded with federal (Super NOFA) monies, monies from local jurisdictions, and monies from faith-based organizations in the following areas: "in-kind" Donations Programs; Sponsorship and Underwriting for Programs and Fundraising Events; Housing Fund Donations; Food Drives; and, "Adopt-A-Family" Holiday Programs (which provides a holiday meal at Thanksgiving and holiday meal and gifts in December). The major objective of Saddleback Community Outreach programs and services is to help those assisted become self-supportive. This organization operates without paid administrators, primarily through efforts of more than 100 volunteers, among whom are selected and trained volunteers who function as directors, evaluators, coordinators and care workers. Saddleback Community Outreach is involved in four active programs to meet critical housing needs of its clients, who number 5,200 annually. The Emergency Lodging Program is intended for homeless families needing temporary housing until a permanent residence is established. The Housing Assistance Program is intended for families needing an interest free loan to prevent eviction or to assist with move-in costs. The Interfaith Shelter Program is a six-month program available for homeless singles seeking employment, shelter and counseling. The Transitional Housing Program is a two-year program for homeless families. Applicants are screened by the Housing Committee to assess each family's ability to pay a reduced rent in a condominium, maintain employment, set goals, meet commitments and attend practical counseling for budget management. The Saddleback Community Outreach Pantry/Warehouse distributes more than 150,000 pounds of food annually to families or individuals in need and hosts SHARE, a program enabling people to buy up to \$35.00 worth of groceries for \$15.00. Saddleback Community Outreach also will pay a portion of a family's utility bill to help avoid disconnection of services. Additional services include vouchers for adults and children to obtain clothing at local thrift stores, gasoline vouchers or bus tickets for transportation to job interviews or physician appointments, donation of automobiles contributed to Saddleback Community Outreach to clients in need, medical prescription vouchers for pre-screened families or individuals, "motivational counseling" to help restore hope and confidence, "practical counseling" to assist in goal setting, budget management and future planning, and referrals to local agencies for other counseling needs. Saddleback Community Outreach indicated during an interview that it intends to purchase three (3) one- or two-bedroom residences in Laguna Hills during 2001 to be used as transitional residences for working homeless who have a monthly income of at least \$1,200.
- *Saddleback Coordinated Home Care* (24421 Calle de la Louisa) provides home health services and comprehensive care volunteers for the elderly.
- *YMCA – Saddleback Valley Adult Day Care* provides day care for frail, elderly (age 60 and over) Monday through Friday. The program features therapeutic, recreational, health, and social services for adults and the elderly.

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Services outside the City of Laguna Hills that serve the elderly are the following.

- *Orange County Health Care Agency (South)* (27800 Medical Center Road, Suite 304, Mission Viejo) offers outpatient mental health services for adults and seniors.

- *Orange County Housing Authority* (2043 North Broadway, Santa Ana) offers rental assistance for elderly in the County. The Section 8 "Certificate" and "Housing Voucher" programs were established by Federal law. Both provide rental assistance for low income persons (those having incomes 80% or less of the County median income) in need of decent, safe, and sanitary housing. The "Certificate" program requires families pay a portion of their rent, but an amount not to exceed thirty (30) percent of their adjusted income. Total amount of the rental unit must be approved by the Housing Authority based on utilities, location, and the condition of each rental dwelling. Additionally, total rent must fall within Housing Authority Fair Market Rent limits. It should be noted that United States Department of Housing and Urban Development regulations were modified in October, 2000 to allow Section 8 monies to be used for home purchases in addition to rental assistance. This is not available to first time home buyers in Laguna Hills.

The "Housing Voucher" program allows families to pay more than 30 percent of their adjusted income toward rent should they wish to rent a housing unit that has a rent greater than Fair Market Rent. Families pay the difference between the rental price of the dwelling and the Housing Authority portion of the rent. The Housing "Certificate" Program (which will be combined under a "New Voucher" Program by October 1, 2001) provides rental assistance for families renting housing units that charge Fair Market Rent. No assistance is provided to the renter should the renter choose a unit more expensive than Fair Market Rent. According to the Orange County Housing Authority, there are more than 2,000 Certificates in existence County wide and, in the City of Laguna Hills, there are 19 elderly families in one bedroom housing units, and two elderly families in two bedroom housing units who participate in the Section 8 "Certificate" Program. The Housing Authority does not have figures on how many elderly are waiting for assistance, but has indicated that approximately 5,000 people are on a waiting list to obtain assistance. By applying a ratio of number of people in the County on the waiting list to the City, an estimated 42 families in the City of Laguna Hills are waiting for housing assistance. The Housing Authority does not have a list of people who receive assistance in this program. However, by applying the same ratio, approximately five (5) families in the City are participating in the "Voucher" Program. There is no way to estimate if any of these are elderly.

- *Oso Viejo Community/Senior Center* (24932 Oso Viejo Road, Mission Viejo) is a multi-purpose senior center that provides services and recreation to seniors in the Saddleback Valley.

- *South County Senior Services* (24300 El Toro Road, Building A, Suite 2000, Laguna Woods) is a regional non-profit charitable organization that has as its mission to promote, advocate and improve quality of life, dignity, and independence of the elderly. This organization serves approximately 10,000 seniors annually in its combined programs. South County Senior Services receives funding from federal grants, project income, Medi-Cal, client fees, USDA, funding drives, and special events. South County Senior Services manages the Laguna Hills Senior Center, but receives no funding from the City of Laguna Hills. The following programs are provided by South County Senior Services. The Laguna Hills Adult Day Health Care program offers comprehensive medical treatment for adults eighteen years or older with disabilities or impairments who are at risk of institutionalization, including nursing services, occupational and physical therapy, speech therapy, nutrition, music therapy, counseling, supervised social and educational activities, exercise, special events, music, and art to delay institutionalization and social isolation. Currently, South County Senior Services serves seventy (70) people in the Laguna Hills Adult Day Health Care facility. The Dr. Gerald Bernath

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Alzheimer's Treatment Center offers those who are physically healthy, yet whose independence is hindered by memory and other cognitive impairment, a chance to engage in social and recreational activities led by professional staff and trained volunteers. Case Management is an in-home assessment program to determine needs of frail seniors, 60 years of age and older, and to establish a Plan-of-Care for services needed to assist seniors to maintain independence in their own homes for as long as possible. The Meals-On-Wheels program provides meals to individuals 60 years of age and older who are living at home and unable to prepare their own meals, or who are unable to go out to eat, or who have little or no assistance to obtain adequate meals. A transportation program coordinates lift-equipped paratransit services for senior centers, the Adult Day Care Health Center and medical appointments. A referral service for In-Home Providers is offered to help seniors maintain independence in their own homes for as long as possible. Federal Surplus Commodities are distributed monthly at five South County Senior Centers, including the Laguna Hills Senior Center. Various programs and services are offered to meet educational, recreational, social, and human service needs of the elderly population. Those programs include the following: speakers and films; educational classes; preventative health screening; eldercare nurse service; legal aid; tax assistance; insurance counseling; financial management seminars and advice; Medicare assistance; senior support groups; and, recreational programs. The Shared Housing Program was designed for seniors and various age groups to share their existing homes for companionship and relief from financial burden of housing costs for short- or long-term tenures. This Program had operated throughout the 1990s, but was discontinued in 2000 because the County of Orange discontinued Community Development Block Grant Funds for the Shared Housing Program.

South County Senior Services applied to the United States Department of Housing and Community Development for funding to augment construction of 115 one-bedroom residential units along the easterly side of Moulton Parkway, at Santa Maria in the City of Laguna Woods. This 3.3-acre site is immediately adjacent to the City of Laguna Hills and across Moulton Parkway from the Laguna Hills Senior Center. The Department of Housing and Urban Development denied funding the project in part because of environmental concerns. However, once appropriate environmental documentation and funding is secured a change in land use designation must occur to allow construction of the proposed residential project. This location is ideal in that it would allow, and encourage, ancillary use of the nearby Laguna Hills Senior Center and its programs by residents of the new development.

- *St. Joseph's Adult Day Health Care* (24772 Chrisanta Drive, Mission Viejo) provides a structured day care center program for frail elderly with diminished mental abilities.

The number of elderly can be expected to increase as persons between the ages of 35 and 64 age. Escalating housing costs, particularly in the rental housing market, severely impact housing affordability for the elderly (who usually live on fixed incomes).

Handicapped

Physical handicaps can hinder access to housing units of traditional design and limit ability to earn adequate income. A 1988 County-wide needs assessment conducted by the Dayle McIntosh Center for the Disabled revealed housing accessibility and affordability is the second greatest concern among disabled persons in Orange County. Individuals who are mobility impaired need housing that can accommodate wheelchairs or has been designed with level entryways and no interior or exterior stairs. Housing opportunities for the handicapped can be maximized through provision of affordable, barrier free housing.

According to the 1990 Census of Population and Housing, 28.5 percent of elderly residents have mobility or self care limitations. Thus, handicapped accessible units provided in City senior housing

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projects address needs of a large segment of the handicapped population in the City.

The Orange County Housing Authority "Certificate" Program is the only form of rental assistance offered to a disabled adult or a family with a disabled minor child involved in a program of rehabilitation through the State Department of Rehabilitation, Mental Health, Developmental Services, or their approved agencies.

Large Families

A large family household contains five or more persons. Large families are identified as a group with special housing needs based on limited availability of adequately sized, affordable housing units. Large families often have lower incomes, frequently resulting in overcrowding of smaller dwelling units, which in turn accelerates unit deterioration. Household size is an important indicator identifying sources of population growth and overcrowding in individual housing units.

According to the 1990 Census of Population and Housing, approximately 15 percent of City households contain five or more persons. This percentage is comparable to that found in the County of Orange. However, large families in the County are associated primarily with minority populations who have recently migrated to the United States who often have low or moderate family incomes. This may result in overcrowded units. The City of Laguna Hills has attracted many high income large families who live in large homes and thereby do not have overcrowding problems.

Female-Headed Households

Female-headed households generally have lower incomes than male-headed households due to prevailing social forces such as lower earning power of women in the workforce. Additionally, female-headed households are more likely to have children than male-headed households.

In 1990, the Census indicated that eleven (11) percent of households in the City were headed by women. This exceeded the County figure of 8 percent. In the City of Laguna Hills, 66 percent of female-headed households contained children under the age of 18; fewer than 45 percent of male-headed households had children under the age of 18. Presence of children and the lower income characteristic of female-headed households contributed to difficulty in finding appropriate housing.

Homeless

Homelessness increased throughout the United States during the 1990s. Factors that contributed to the increase in homelessness included a lack of housing affordable to low and moderate income persons and families, increases in number of persons whose incomes fell below the poverty level, reductions in public subsidies to the poor, de-institutionalization of the mentally ill, and economic recession.

Homelessness is a regional problem throughout Southern California. Homeless persons and families exist in every city and populated unincorporated area of Orange County. Various organizations, institutions and agencies often generate strikingly different calculations of homeless individuals/families. This Element relies on those calculations contained in the Orange County "2000 - 2004 Consolidated Plan," which indicate in year 2000 there are 18,604 homeless individuals in Orange County. The County has developed, and assists in funding, a housing and service delivery system - the Continuum of Care - that responds to the needs of the region's homeless. The Continuum of Care was established through a community-based process to ensure the region's residents and homeless are empowered to affect changes in the existing social services system. The Orange County Community Forum, Orange County Leadership Cabinet, and Orange County Department of Housing

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and Community Development have shared responsibility for planning and implementing the regional Continuum of Care. Orange County's 33 cities and various County agencies have committed more than \$22,800,000 in "mainstream" funds to meet the needs of the region's homeless. Although programs are available to shelter and serve the homeless, service gaps remain in the County Continuum of Care service delivery system. Gaps identification and establishment of priority needs were based on data from a needs assessment survey, Community Forum and Assessment Groups meetings, and a survey of current and former homeless individuals.

According to the "Year 2000 Continuum of Care Gaps Analysis Chart," Orange County in year 2000 has a total homeless shelter bed inventory of 2,374, comprised of emergency shelter and transitional shelter beds for individuals and persons in families with children. The current inventory of 2,374 beds/units for 18,604 individuals in need of emergency shelter, transitional shelter, and permanent supportive/affordable housing leaves an unmet need (gap) of 16,230 beds/units. There is a current inventory of 1,135 supportive service slots (job training; case management; substance abuse treatment; mental health care; housing placement; life skills training) for 5,581 individuals in need of such services, which leaves an unmet need (gap) of 4,446 supportive service slots. Additionally, there are current unmet needs (gaps) for individuals in the following categories (expressed as estimated need/current inventory/unmet need (gap)): chronic substance abusers (1,842/720/1,122); seriously mentally ill (2,177/150/2,027); those diagnosed with more than one of the identified needs categories (1,395/75/1,320); veterans (1,395/568/828); persons with HIV/AIDS (662/400/262); victims of domestic violence (558/275/283); youth (2,797/275/2,522); and, other-physical disabilities (837/568/270).

There also are current unmet needs (gaps) for persons in families with children in the following categories (expressed as estimated need/current inventory/unmet need (gap)): chronic substance abusers (1,302/46/1,256); seriously mentally ill (651/0/651); dually-diagnosed (651/0/651); persons with HIV/AIDS (662/550/112); victims of domestic violence (1,302/290/1,012); and other-physically disabled (1,953/620/1,334). There is a surplus inventory for veterans in families with children (estimated need, 391/current inventory, 620/surplus, 229). Please note that homeless sub-populations do not total 18,604 because there are homeless who fall into more than one sub-population category and/or not all homeless fall within the federal Department of Housing and Urban Development designated sub-populations listed (e.g., homeless families who are under-employed and unable to afford housing would not be captured under the sub-population categories listed, but would be captured in the total homeless count of 18,604).

The County of Orange Housing and Community Development in 2000 made application to the federal Housing and Urban Development Department for two Shelters Plus Care and ten Supportive Housing Programs, totaling \$8,010,818. Renewal Supporting Housing Program applications will preserve 43 transitional housing beds and 966 service slots annually. The nine new programs will add 59 permanent units for homeless with special needs. Additionally, 60 new transitional beds and 2,837 supportive service slots will be added annually to the Orange County Continuum of Care. Top priority projects/needs for the 2000 Continuum of Care Homeless Assistance Grant application were eligible permanent housing for homeless with special needs, eligible renewal projects, transitional housing, and supportive services programs.

The Orange County Continuum of Care Community Forum has established the following goals to combat homelessness in the County of Orange.

- to secure 2000 Continuum of Care Homeless Assistance grant funds from the Department of Housing and Urban Development.
- to identify and coordinate additional resources to address gaps in components of the regional Continuum of Care that are not eligible for Continuum of Care grant funding.

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- to ensure project sponsors implement activities within time frames.
- to provide outreach and assessment and prevention services for individuals and families, and connect families to appropriate facilities and services.
- to provide emergency shelter facilities and programs that serve as a safe and decent alternative to living on the streets.
- to create a minimum 60 new transitional housing beds County wide.
- to provide a minimum 59 new permanent supportive housing units for homeless persons with special needs as the last step toward self-sufficiency in the Continuum of Care system.
- to create a minimum 946 service slots County wide for homeless populations identified with priority needs.
- to ensure the community-based method devised to create the Continuum of Care system is sustained beyond the application process, and to provide services in a manner sensitive to cultural diversity found among Orange County homeless.
- to increase technical assistance for Continuum of Care Homeless Assistance Grant project sponsors to ensure appropriate implementation of projects, timely use of federal funds, submission of Department of Housing and Urban Development annual performance reports, increased resource leveraging, and coordination with mainstream resources.
- to improve regional coordination of services to minimize duplication and facilitate better utilization of resources.
- to provide grassroots advocacy efforts to ensure additional resources are targeted to fill gaps in the system of care and to effect systemic change to overcome barriers to shelter/housing development.

In June, 1999, the Board of Supervisors established a County Homeless Coordinator position within the County Executive Office. The County Homeless Coordinator has numerous responsibilities, including participating on the Leadership Cabinet and coordinating regional resources to address homelessness. In October, 1999, the Homeless Coordinator, Orange County Homeless Issues Task Force, and Shelter and Hunger Partnership of Orange County formed a partnership to ensure the Continuum of Care planning process was not dominated by government representatives. This partnership is called the Community Forum Collaborative, and shares responsibility for sustaining the Continuum of Care planning process by hosting quarterly Continuum of Care Community Forum meetings and monthly Assessment Group meetings. The Community Forum has an open membership; that is, any individual or group who wants to contribute to efforts to eliminate homelessness in Orange County is encouraged to participate. Approximately 75% of Community Forum participants are nonprofit agencies. The City of Laguna Hills has a representative who attends Community Forum meetings, has provided support letters, and has allocated funding to the homeless through the Orange County Continuum of Care.

Assessment Groups assisted the Community Forum to develop preliminary identification of priority projects and gaps. Community Forum Assessment Groups were established to improve the existing care system by focusing efforts on specific needs and/or interest areas related to homelessness and affordable housing and to identify needs/services gaps and resources for respective homeless populations. The five Orange County Assessment Groups and their primary foci are as follows.

- Homeless Prevention/Outreach Assessment Group – develops and expands programs to prevent homelessness through crisis intervention, mobile outreach, and assessment services; identifies and coordinates linkages in systems of care. Its lead agency is the Continuum of Care Coalition, which is a formal partnership of four service agencies that provides a variety of services and shelter programs for the homeless.
- Emergency Shelter Assessment Group – addresses issues such as shelter based support services, availability of emergency beds, development of additional emergency beds, and development of long-

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term solutions to the Cold Weather Armory program. Its lead agency is the Emergency Shelter Expansion Task Force, which is an alliance of service agencies that provides emergency shelter and homeless service programs.

- Transitional Shelter Assessment Group – addresses shelter-based support services, availability and development of additional transitional beds, and development of intake/exit guidelines and processes for successful transition to permanent affordable housing. Its lead agency is the Shelter Provider Program, which is an association of homeless shelter program directors and program staff.
- Permanent Affordable Housing Assessment Group – addresses development of affordable housing provision of supportive services in a permanent housing setting, and other appropriate issues; addresses barriers to expansion of affordable housing opportunities to individuals and families earning less than \$10 per hour. Its lead agency is the Kennedy Commission, which is a group of diverse community stakeholders, including residential developers, health and human service providers, low-income housing advocates, government agencies, businesses, and other groups.
- Advocacy Assessment Group – addresses issues such as zoning, legislation, shelter provider standards, and increased funding for homeless programs. Its lead agency is the Partnership of Responsible Public Policy, which consists of a wide variety of community leaders who represent service providers and advocates.

The current Orange County Continuum of Care is comprised of certain systemic components. These Components are as follows: the Prevention Component; the Outreach/Assessment Component; the Emergency Shelter Component; the Transitional Component; the Permanent Housing Component; the Permanent Supportive Housing Component; and, the Supportive Services Component.

The Orange County Continuum of Care system has been designed to facilitate movement of homeless persons and families between and among components of the system by constructing links between components. Since each homeless case is unique, the case manager becomes key to moving a client between components. Local governments act as a means to bring the homeless into shelter/service programs. Orange County homeless also are moved through the Continuum of Care system via regional collaborations.

The Housing and Urban Development Department has identified six (6) homeless sub-populations that require special consideration in the regional Continuum of Care system. Those six sub-populations are as follows: veterans; seriously mentally ill; substance abusers; people living with HIV/AIDS; victims of domestic violence; and, youth. Additionally, the County of Orange has provided information regarding outreach efforts for homeless individuals with disabilities.

The 1990 Census did not identify any homeless persons in the City of Laguna Hills. However, according to the Laguna Hills Sheriff Department, a few homeless and transients are occasionally observed traveling through the City, and several have been observed staying in the area overnight in drainage channels overgrown with vegetation. Although homeless and transients only are occasionally found in Laguna Hills, State law requires each jurisdiction provide adequate sites to facilitate development of emergency and transitional shelters. In addition, the homeless situation in the County results in part from lack of suitable affordable housing. Therefore, a comprehensive solution to homeless problems requires every jurisdiction in the County address needs of the homeless.

Shelter and service programs available to homeless people in Orange County are of very good quality. However, there is a need for increased services. Presently, there are approximately 2,374 permanent

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shelter beds in the County, or a deficit of approximately 16,230 beds. The majority of these shelters are located in northern Orange County. There are no homeless shelters in the City of Laguna Hills. The closest homeless shelter is the Friendship Shelter in Laguna Beach, which provides housing, food and referral services to enable homeless people to rehabilitate. In addition, there are a variety of homeless and related service shelters located throughout Orange County. [Reference Table A-15]

Farm Workers

The special housing needs of farm workers result from their low wages and the seasonal nature of their employment. The 1990 Census of Population and Housing estimated less than one percent of the population in Laguna Hills were farm workers and approximately one percent of the County population were farm workers. Therefore, demand for housing generated by farm workers in the City was nominal and could be addressed adequately by overall housing affordability programs in the City and the County. This remains the case in the City of Laguna Hills.

People living with HIV/AIDS

This Housing Element includes a brief narrative pertaining to an additional special needs population not yet identified in State or Federal legislation – people living with HIV/AIDS. Information contained herein has been taken from a report entitled Orange County HIV/AIDS Housing Plan, prepared by AIDS Housing of Washington for the City of Santa Ana, and adopted by the Orange County Planning Council on December 8, 1999. This population is regional in nature rather than concentrated in a particular city. As of June 30, 1999, a total 5,295 cases of AIDS had been reported in Orange County, and an estimated 2,392 people were believed to be living with AIDS. Communities throughout Orange County have persons affected by AIDS; ten cities had 80 or more people living with AIDS. Percentage of AIDS cases reported annually among Caucasians in Orange County decreased steadily during the late 1990s; percentage of AIDS cases among people of color increased during this time period. Additionally, while the United States was experiencing a rise in AIDS cases reported among those younger than 25 years of age, reported AIDS cases in 1998 in Orange County indicated a slight shift toward those 30 years of age and older. Prior to 1993, most people diagnosed with AIDS in Orange County were reported to have been infected through homosexual or bisexual activity; by 1998, other causes of infection, including heterosexual activity and injection drug use, had become prevalent. Orange County is experiencing a disproportionate increase in AIDS cases among the Hispanic, African American and Southeast Asian populations, women, injection drug users, and those who contracted the disease through heterosexual contact.

AIDS Housing of Washington estimated local need for housing for people living with HIV/AIDS in Orange County in 1999 included 20 percent of people living with AIDS, 10 percent of people living with HIV, and 2 percent of homeless individuals. Such estimates yielded a total of 1,144 persons in need of housing in Orange County in 1999. Many respondents to a 1999 survey of people living with HIV/AIDS clearly were in very precarious housing situations and were overburdened by rent/housing costs. Over 80 percent of respondents reported spending more than 30 percent of their incomes on rent and over 50 percent reported spending more than 50 percent of their incomes on rent. Additionally, 38 percent of respondents indicated they would need to relocate should their rent increase by \$50 monthly. Thirty percent of respondents earned less than \$700 monthly. Nearly 40 percent of respondents had relocated since learning of their HIV status and one-third of respondents had slept outdoors, in an automobile or at a friend's house. An evident conclusion from this survey was that respondents were experiencing "housing problems" and were at risk of homelessness.

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Various agencies provided HIV/AIDS-dedicated housing resources to 410 people living with HIV/AIDS in Orange County in 1999. The Orange County Emergency Housing Program provided emergency housing assistance for 234 people. The Gerry House West, START House, and Transitional Housing Program provided transitional housing assistance for 57 people. Hagan Place, Annie's House, and the Rental Assistance Program provided assistance to 119 people. These resources will be supplemented in 2001 with Emmanuel House providing housing assistance to 21 people and a new transitional housing program providing housing assistance to 12 - 16 people (6 - 10 traditional housing units in a new location and 6 set-aside residences in existing facilities). Federal funding (through the Super NOFA Fund) dispersed by the Orange County Housing Authority, provides assistance for people living with HIV/AIDS. As of October, 2000, one household in the City of Laguna Hills received such assistance.

Housing units dedicated for people living with HIV/AIDS are occupied and have long waiting lists. Conservative estimates are that approximately 737 people living with HIV/AIDS in Orange County require housing assistance in addition to those served by current resources specifically dedicated to this population. There currently are resources to serve approximately 410 people living with HIV/AIDS with some form of emergency, transitional, or permanent housing assistance. Additionally, due to the high (and unmet) demand for affordable housing in Orange County, landlords are able to increase rents (rents throughout Orange County rose 23% between 1996 and 1999), refuse to accept subsidies, demand large security deposits and other move-in costs, and require extensive background information and documentation, which has caused housing instability for many living with HIV/AIDS. Furthermore, people living with HIV/AIDS in Orange County have experienced discrimination in their searches for housing due to race/ethnicity, sexual orientation, health status, and status as a rent subsidy holder. This has resulted in difficulties for many people who live with HIV/AIDS to find housing with their subsidies and also has made many people unwilling to live in an AIDS housing facility.

Additional emergency, transitional, and permanent housing resources and supporting services are requisite to meet the multiple needs of people living with HIV/AIDS. Existing resources cannot serve all people living with HIV/AIDS. Service gaps exist in eligibility, provision of emergency and transitional housing, provision of housing for chemically dependent, housing information and referral, life skills instruction, and systemic administration.

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Table A-15
Facilities in Orange County Serving the Homeless
(Spring, 2000)

Name	Persons/Groups Served	Location	Number of Beds
American Veterans Assistance Corp.	Veterans with families	Santa Ana	10
Anaheim Interfaith/Halcyon Shelter	Families with children	Anaheim	34
Anchor House	Families	San Clemente	14
Annie's House	People afflicted with HIV/AIDS	Costa Mesa	10
Armory (Cold Weather Program)	Singles; Couples; Families	Fullerton; Santa Ana	250
Bethany	Single, employed women who have successfully completed a shelter program	Orange	7
Beyond Shelter - YWCA	Transitional shelter for single women; may be dually diagnosed or have substance abuse issues	Fullerton	10
Birch I and II Santa Ana Facility	Adult Males (Birch I); Youth (ages 18-21) who are working or attending school and moving toward independence (Birch II)	Santa Ana	11
Casa Teresa	Single pregnant women, 18 years of age or older with no children; client expected to work or attend school	Orange	28
Casa Youth Shelter	Ages 12-17; accepts pregnant teens	Los Alamitos	25
Catholic Charities	Families	Santa Ana	18
Christian Temporary Housing	Families	Orange	60
CSP Youth Shelter	Ages 11-17	Laguna Beach	6
Dayle McIntosh Center For The Disabled	Disabled Individuals/ Families with Disabled Members	Anaheim	7

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Name	Persons/Groups Served	Location	Number of Beds
El Modena	Transitional housing for families or single parents with children Must be employed and moving toward independent living; 70% of income must be saved by family; must be referred by O.C. shelter	Orange	30 - 35
Eli Home	Transitional housing for women and children (under age 12) who are victims of family abuse or domestic violence. Faith based.	Orange	N/A
Episcopal Service Alliance, Martha House	Women	Orange	10
Families Forward	Transitional housing for families or single parents with children under 18 years of age; one adult must be employed	Irvine	35
Friendship Shelter	Individuals	Laguna Beach	22
Fullerton Interfaith/New Vista	Families or Single Parent with Children under the age of 18; must have income	Fullerton	27
Gerry House	Male/Female intravenous drug users and who may be receiving narcotic replacement therapy	Santa Ana	12
Gerry House West	Persons who are HIV positive with substance abuse problems	Santa Ana	6
Hannah's House	Transitional housing for single pregnant women 18 years and older who are considering adoption. No other children. Woman expected to work or attend school.	Orange	12
Hearth Dayle McIntosh	Disabled men or women with or without children	Anaheim	6

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Name	Persons/Groups Served	Location	Number of Beds
Henderson House	Transitional housing to graduates, single men, single women of the Friendship Shelter; must have referral from Friendship Shelter Program	San Clemente	NA
Homeless Intervention Shelter	Transitional living center for families, single men and single women, men with children, women with children, couples	Placentia	40
House of Hope - O.C. Rescue Mission	Women & Children	Santa Ana	45
Human Options	Battered Women, with or without children		40 Emergency 14 Transitional
Huntington Youth Shelter	Ages 11-17	Huntington Beach	11
Interfaith Interim Housing	Single homeless adults willing to work; 120-day program; faith based	Laguna Hills	8
Interval House	Battered Women, with or without children; accepts pregnant women		49
Irvine Temporary Housing	Families	Irvine	10 single family furnished apartments
Kathy's House	Women, with or without children; faith based	Capistrano Beach	11
Laura's House	Battered Women, with or without children		25
Laurel House	Youth, ages 11-19	Tustin	N/A
Mary's Shelter	Pregnant teens, ages 17 and under; teen mothers and infants 0-18 months	Santa Ana	18
Mercy House/Joseph House	Transitional housing for Men; must be employed or in job training full time	Santa Ana	12

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Name	Persons/Groups Served	Location	Number of Beds
Mercy House/Regina House	Transitional housing for Women and Children under 10; must be employed or in job training full time	Santa Ana	14
Missionary Brothers of Charity	Families	Santa Ana	16
New Vista Shelter	Families	Fullerton	60
O.C. Rescue Mission	Men	Santa Ana	90
Orange Coast Interfaith Shelter	All	Costa Mesa	100
Precious Life Shelter	Transitional/ Emergency program for pregnant women 18 years and older	Los Alamitos	21
Rescue Mission for Men	Men	Santa Ana	40
Salvation Army Hospitality House/Buffalo Street	All	Santa Ana	60
The Sheepfold	Women 18 years of age and older with children; Faith Based	Tustin	55
Shelter For The Homeless	Families, Men, & Women	Westminster	106
Thomas House	Transitional housing for families, women with children, men with children; adults must be willing to work	Garden Grove	76
Thomas House Temporary Shelter	Families	Fountain Valley	Provides room for 7 families
Toby's House	Adult pregnant women; children under 5 years of age	San Clemente	5 families
Veterans Charities	Single Veterans	Santa Ana	54
The Villa Posada	Women	Santa Ana	6
WISE Hotel for Women	Transitional program for single women with no children; must be alcohol free; drug testing may be required	Santa Ana	34

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Name	Persons/Groups Served	Location	Number of Beds
Women's Transitional Living Center	Battered Women		
YWCA - Hotel For Women	Women	Santa Ana	38

Source: Orange County Social Service Resource Directory (1991-1992); County of Orange Housing Element, 1989; current (2000) research

HOUSING NEEDS ASSESSMENT

According to the Regional Housing Needs Assessment, the projected (Years 2000 – 2005) new housing construction need for the City of Laguna Hills is "0." Although no need for Laguna Hills has been identified, the City recognizes future need may be identified as a result of information discovered by the 2000 Census of Population and Housing. Therefore, the City has identified potential sites and programs for inclusion of housing affordable to special needs populations. The Housing Program section of this Element contains goals, policies and programs pertaining to providing housing affordable to special needs populations and to maintaining existing housing affordable both to special needs populations and to low and moderate income individuals and families in the City of Laguna Hills.

**OPPORTUNITIES FOR THE CREATION OF NEW HOUSING: LAND INVENTORY
(GOVERNMENT CODE SECTIONS 65583, 65583(A))**

State law requires the Housing Element include an inventory of land suitable for residential development to compare total holding capacity with the projected construction needs of the city during the time period from 2000 to 2005. The city then can determine if additional actions will be needed to provide sufficient sites to accommodate its need for new housing. Table A-16 provides a summary of available sites for housing within the City of Laguna Hills. All sites are fully improved and adjacent to master planned infrastructure.

There is no vacant land available within the City of Laguna Hills for construction of multiple-family housing. Because the majority of dwellings in the City are less than 30 years old and were developed under strict development agreements which limit increases in density, potential for rehabilitation of old or underutilized development does not exist. Thus, if the City is to create new housing that is affordable to low and moderate income households, it will need to occur as a result of intensification of existing development. A review of housing opportunities within land already developed was undertaken during formulation of the Housing Element and the land use portion of the Laguna Hills General Plan. This inventory was reinvestigated during preparation of this Year 2000 Housing Element although the City of Laguna Hills has no Regional Housing Needs Assessment construction requirement. Three potential candidate housing sites were identified: the Urban Village area; Rancho Niguel; and, Rancho Moulton.

The Urban Village area occupies nearly 240 acres in the northerly section of the City westerly of the Interstate 5 Freeway, southerly and easterly of Paseo de Valencia, and northerly of Los Alisos Boulevard (reference Figure A-1). The Urban Village area (zoned Village Commercial) was identified as the most appropriate location for new housing opportunities. Therefore, land use and housing policies are intended to create new housing opportunities within existing multi-family

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projects in the Urban Village area. Land within the Urban Village area already is developed; this area contains more than 2 million square feet of retail, medical, and professional office uses on 206.1 acres and 756 residential units on 31 acres (at a density of 24.4 dwelling units per acre). Approximately 1,500 people reside, and 5,000 people work, in the Urban Village area. It is believed attached dwellings at a moderate density (12 – 20 units per acre) can be constructed in the Urban Village area. Although the Regional Housing Needs Assessment construction assignment for the City of Laguna Hills is 0, the City intends a portion of those units should be affordable to low and moderate income households. This affordability can be realized because land cost already would have been amortized against current multi-family development and the new housing would add to value of existing development. Since new development within the Urban Village must conform to a strict vehicular trip budget, potential for new units is limited to a maximum 15 percent increase from existing conditions. Such increase would allow construction of an additional 113 multi-family units and result in a total of 869 residential units within the Urban Village area. Given the 19 residential lots within the Nellie Gail Ranch development that are currently vacant (reference Table A-16), the 113 units which could be developed within the Urban Village would bring total potential sites within the City of Laguna Hills for housing to 132 units.

The Rancho Niguel and Rancho Moulton candidate affordable housing sites are located along Via Lomas, between Alicia Parkway and Moulton Parkway. Each of these two existing multi-family residential projects is located on sites designated as "Medium-Low Density Residential" in the Laguna Hills Zoning Code. Each project has 51 apartments; 42 of which are 2-bedroom units (approximately 954 square feet in area), 6 of which are 3-bedroom units (approximately 1,187 square feet in area), and 3 of which are 4-bedroom units (approximately 1,420 square feet in area). Furthermore, four of the total 102 residential apartments are designated and designed for challenged individuals/households. The Rancho Niguel and Rancho Moulton sites combined occupy approximately 10 acres and are constructed at a density of less than 12.5 dwelling units per acre in compliance with Laguna Hills Zoning Code regulations. A small parcel currently used as a lawn and barbeque area within these projects can accommodate two 4-unit buildings that would be affordable to very low-income and low-income households.

Table A-16
Inventory of Available Residential Land
City of Laguna Hills
2000

General Plan study area	Available Vacant Lots/Land	Maximum Number of Units Allowed	Location
Single Family	19 Lots ¹	(RHE) Minimum 10,000 sq. ft. lots	Nellie Gail Ranch
Total	19		

Source: Planning Department, 2000.

¹ Represents vacant finished lots in established residential neighborhoods.

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Figure A-1
Inventory of Available Residential Land by Zoning Designations



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Table A-17
Urban Village Maximum Residential Development Intensity

Traffic Zone	Acreage	Existing Development	Maximum Increase in Development Intensity¹	Total Maximum Development Intensity
620	2.0	540	81	621
621	11.0	216	32	248
Total	31.0	756	113	869

Source: Planning Network, 1994.

¹ Based on a 15 percent increase in development intensity.

ENERGY CONSERVATION OPPORTUNITIES

The City of Laguna Hills fully enforces provisions of Title 24 of the California Administrative Code, which requires energy conservation in new residences. Standards in Title 24 create energy savings of approximately 50% over residential construction practices utilized prior to the Title 24 enactment.

The City of Laguna Hills Building Department is aware of energy conserving design innovations and solar technology. The Department will facilitate installation of appropriate solar systems and has the potential to use the Solar Systems Code Review and its companion document, the "Pool and Spa Solar Systems Code Review Manual," published by the International Conference of Building Officials.

Under existing California State law (California Resources Code), local jurisdictions may adopt structural energy conservation standards in excess of the existing State standard. Such an increase in standards would be of dubious value because of the moderate climate of the City of Laguna Hills. Additionally, increases in conservation standards generally increase housing costs and therefore exacerbate the existing housing affordability concern.

The City of Laguna Hills has little remaining land available for residential development. Therefore, land use standards that require subdivisions take advantage of solar energy would be of limited value. The City may wish to explore this option; however, care should be taken to insure density and affordability are not affected.

Laguna Hills is not in an area of geothermal or significant wind activity and consequently cannot take advantage of these "alternative" energy sources.

It appears that the City of Laguna Hills, through enforcement of Title 24 and sensitivity to innovative design, is maximizing residential energy conservation opportunities.

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PUBLIC AND PRIVATE NON-PROFITS

The following organizations have capacity to acquire and manage affordable housing or "at risk" housing developments.

Orange County Housing Authority
2043 North Broadway
Santa Ana, CA 92706
(714) 434-6200

Civic Center Barrio Housing Corporation
431 South Bristol
Colonia Community Center
Santa Ana, CA 92613
(714) 835-0406

Habitat for Humanity of Orange County, Inc.
P. O. Box 7086
Orange CA 92613
(714) 434-6200

Orange County Community Housing Corporation
1833 East 17th Street, Suite 207
Santa Ana, CA 92701
(714) 558-6006

Orange County Community Development
825 North Broadway
Santa Ana, CA 92702
(714) 897-6670

Jamboree Housing Corporation
2081 Business Center Drive
Irvine, CA
(949) 263-8676

Southern California Presbyterian Homes
1111 North Brand Boulevard, Suite 300
Glendale, CA 91202
(818) 247-0420

A Community of Friends
3345 Wilshire Boulevard, Suite 1000
Los Angeles, CA 90010
(213) 480-0809

Affordable Housing People
7720 B. El Camino, Suite 159
Carlsbad, CA 92009

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(760) 436-5979

BRIDGE Housing Corporation
One Hawthorne, Suite 400
San Francisco, CA 94105

Century Housing Corporation
300 Corporate Pointe, Suite 500
Culver City, CA 90230

Community Partnership Development Corporation
7225 Cartwright Avenue
Sun Valley, CA 91352
(818) 503-1548

Eden Housing, Inc.
409 Jackson Street
Hayward, CA 94544
(510) 582-1460

H.O.M.E.S., Inc.
4341 Birch Street, Suite 213
Bewport Beach, CA 92660
(949) 851-2766

Housing Authority of the City of Los Angeles
P. O. Box 17157, Foy Station
Los Angeles, CA 90017
(213) 252-2701

Housing Corporation of America
31423 Coast Highway, Suite 7100
Laguna Beach, CA 92677
(949) 726 9672

Long Beach Affordable Housing Coalition, Inc.
110 West Ocean Boulevard, #350
Long Beach, CA 90802
(562) 983-8880

Los Angeles Housing Partnership, Inc.
515 South Figueroa Street, Suite 940
Los Angeles, CA 90071
(213) 629-9172

Neighborhood Housing Services of Orange County, Inc.
350 Hillcrest
La Habra, CA 90631
(562) 694-2051

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San Diego County SER-Jobs for Progress, Inc.
3355 Mission Avenue, Suite 123
Oceanside, CA 92054
(760) 754-6500

Shelter for the Homeless
15161 Jackson Street
Midway City, CA 92655
(714) 897-3221

Solari Enterprises, Inc.
1544 West Yale Avenue
Orange, CA 92687
(714) 282-2520

Southern California Housing Development Corporation
8265 Aspen Street, Suite 100
Rancho Cucamonga, CA 91730
(909) 483-2444

American Baptist Homes of the West
P. O. Box 6669
Oakland, CA 94603
(510) 635-1786

Citizens Housing Corporation
26 O'Farrell Street, #506
San Francisco, CA 94108
(415) 421-8605

Community Housing Assistance Program, Inc.
3803 East Casselle Avenue
Orange, CA 92869
(714) 744-6252

DML & Associates Foundation
6043 Tampa Avenue, Suite 101A
Tarzana, CA 91356
(818) 708-2710

EAH, Inc.
2169 East Francisco Boulevard, Suite B
San Rafael, CA 94901
(415) 258-1800

Foundation for Affordable Housing III, Inc.
2600 Michelson Drive, Suite 1050
Irvine, CA 92612
(949) 440-8277

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HELP Development Corporation
30 East 33rd Street
New York, NY 10016
(212) 779-3350

Joshua's House
24111 NE Halsey Street, Suite 203
Troutdale, OR 97060
(503) 661-1999

Mercy Charities Housing California
1038 Howard Street
San Francisco, CA 94103
(415) 553-6360

National Housing Development Corporation
8265 Aspen Street, Suite 100
Rancho Cucamonga, CA 91730
(909) 483-2444

National Housing Trust
P. O. Box 3458
Walnut Creek, CA 94598
(925) 945-1774

OSM Investment Company
5155 Rosecrans Avenue, Suite 120
Hawthorne, CA 90250
(310) 676-0451

Paramount Financial Group, Inc.
1655 North Main Street, Suite 220
Walnut Creek, CA 94596
(800) 850-0694

Related Companies of California
18201 Von Karman Avenue, Suite 400
Irvine, CA 92612
(949) 660-7272

Retirement Housing Foundation
5150 East Pacific Coast Highway, Suite 600
Long Beach, CA 90804
(562) 597-5541

Shelem, Inc.
24111 NE Halsey Street, Suite 202
Troutdale, OR 97060
(503) 661-1999

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Squier Properties

3129 6th Street
Santa Monica, CA 90405
(310) 581-9043

SLSM, LLC

651 29th Street
San Francisco, CA 94101
(415) 826-0301

The Trinity Housing Foundation

1399 Ygnacio Valley Road, #21
Walnut Creek, CA 94598
(925) 939-5421

Union Partners Realty Group, Inc.

24 Professional Center, Suite 250
San Rafael, CA 94903
(415) 446-1811

CONSTRAINTS ON THE PRODUCTION OF HOUSING (GOVERNMENT CODE 65583(A))

Constraints to housing development must be assessed during planning for development, maintenance, and improvement of housing stock. Many constraints cannot be mitigated by local governments, particularly those related to the national and State economies; other constraints can be minimized to facilitate provision of housing required to meet identified needs. When analyzing constraints on housing production it is important to distinguish between unreasonable and excessive constraints and other mandates placed by State and federal governments on local municipalities, municipal finance, legitimate requirements to protect public health and safety, and required environmental impact(s) mitigation. The City of Laguna Hills recognizes its mandate to facilitate production of housing to meet needs of all economic segments of the community and is concerned about quality of the living environment created, integrity of the natural environment it is charged with managing, and impacts new housing will have on area roadway and infrastructure systems.

Governmental Constraints

State Housing Element Guidelines require Housing Elements address public actions that might constrain maintenance, improvement or development of housing. Major constraints imposed by government are decreasing federal and State commitments to housing programs, conflicting local responsibilities, development standards and land use controls, fees, and processing time.

Federal and State Commitments

Importance placed by federal and State governments on housing policies and funding has shifted with changing administrations and priorities. There was a clear trend to de-emphasize Federal and State housing programs in the 1980s under the Reagan administration. During this time, federal funding for housing programs was significantly reduced. A concurrent reduction in State funding for housing occurred. This left local governments in California with a mandate to provide programs to facilitate

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housing for all economic segments of the community without access to funds to maintain such programs. This funding increased slightly during the mid- to late-1990s. It is uncertain that increased funding for housing programs will continue during 2000 – 2005.

Conflicting Responsibilities of Local Government

The mandate that local government facilitate provision of housing for all economic segments of the community is one of several responsibilities of local government. Included among these responsibilities is prudent fiscal management. To the extent cities such as Laguna Hills rely on retail sales tax as a primary source of municipal income, conversion of existing and potential sales tax producing lands to use for affordable housing is not likely. Diversion of local property taxes from municipalities to school districts makes housing production, particularly for low and moderate income households, an increasingly difficult task for cities. The City of Laguna Hills cannot long sustain negative fiscal impacts of new housing when also subjected to State mandated local government programs.

General Plan

The General Plan outlines appropriate locations for each type of land use within the City of Laguna Hills. The General Plan is the primary source for regulating residential densities, and for establishing policies for development related to land use compatibility, public services and facilities provision, open space provision, and environmental mitigation. The General Plan Land Use map includes several residential categories to ensure a broad range of housing is maintained in the City. [Reference Table A-18] Residential land uses constitute 69.7 percent of total acreage in the City (as of November 1, 2000). The General Plan reflects existing residential densities because the City is largely built out. The City of Laguna Hills General Plan provides residential opportunities within the Village Commercial designation (206.10 acres, currently) and within the Mixed Use designation (298.40 acre, currently).

Housing Element Consistency with other General Plan Elements

The State of California requires internal consistency occur among a jurisdiction's General Plan Elements. The Laguna Hills Housing Element provides a comprehensive statement of City housing policies and a specific guide for actions to implement these policies. It examines current housing needs of Laguna Hills, projects future housing needs, and provides City goals, policies and programs concerning identified housing needs. The Laguna Hills housing Element is one component of the City of Laguna Hills General Plan and has been integrated into a comprehensive General Plan program to identify, document, and analyze housing related issues.

The Laguna Hills General Plan contains the following elements: Land Use; Circulation; Conservation; Open Space; Noise; Safety; Fiscal management; Municipal Facilities and Services;; and, Housing. The Housing Element is consistent in format with each of the other Elements in format and intent. All Laguna Hills General Plan Elements identify community issues addressed by General Plan Goals, Policies and Programs, delineate current natural and man-made conditions within the Laguna Hills community, and develop Goals (Objectives), Policies (Strategies), and Implementation Programs. The Goals, Policies and Programs contained in this Year 2000 Housing Element update are focused to the overall intent of the Laguna Hills General Plan; that is, establish a statement by the community of that which it believes is in its best interest.

The General Plan includes a Growth Management Component designed to be consistent with requirements of the County Growth Management Program (Measure "M"). The County wide

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program requires each City adopt a growth management element as part of its general plan. Specifically, the City of Laguna Hills Component establishes a traffic level of service, provides a development mitigation program that ensures new development pay for its share of growth impacts, and establishes a development phasing and annual monitoring program to ensure service goals are achieved.

Growth management policies are required by the County for all municipalities, and in most cases document standard development policies. Therefore, constraints to development of affordable housing are minimal and at most represent requirements to ensure development of minimum public services necessary to offset development impacts.

Measure M

In November, 1990, Orange County voters approved the Revised Traffic Improvement and Growth management Ordinance (Measure M). Measure M implemented a one-half of one percent retail transaction and use tax to fund transportation improvements. The measure M sales tax includes an apportionment to local jurisdictions for street maintenance and improvements. The Orange County Transportation Authority is the agency responsible for administering proceeds of the Measure M sales tax.

Every year, the Transportation Authority determines if a local jurisdiction is eligible to receive Measure M turnback funds. The City of Laguna Hills received an estimated \$414,143 in turnback funds for Fiscal Year 2000-2001. Orange County Transportation Agency estimates for total City of Laguna Hills Measure M receipts for Fiscal Years 2000-2008 is \$4,008,653. Among the several requirements a local jurisdiction must satisfy to receive turnback funds is compliance with requirements of a Countywide Growth Management Program. Each local jurisdiction is required to produce a Growth Management Element as part of its participation in the Countywide Growth Management Program. The Growth Management Element must contain eight (8) elements. Three of such elements relate directly to the Laguna Hills Housing Element: a development phasing program; a development mitigation program; and, a program addressing balanced housing options and employment opportunities within the City. The Laguna Hills General Plan Growth Management Element has as its goal to reduce traffic congestion, mitigate traffic impacts of new development by requiring new development to pay its fair share toward local and regional roadway/transportation improvements, and tie timing of new development to availability of facilities needed to support that development.

The City of Laguna Hills has based its approach to the Measure M requirement for adoption of a Growth Management Element on the Model Growth Management Element developed jointly by the County of Orange and the Orange County Division of the League of California Cities. The Growth Management Element of the Laguna Hills General Plan encompasses all required policy provisions necessary to comply with Measure M. The City Growth Management Element contains an implementation plan to ensure required programs (Development Mitigation Program; Development Phasing Program; Annual Monitoring Program) in the Growth Management Element are applied consistently to the City development review process.

Implementation of the City of Laguna Hills Growth Management Element - Growth Management Program will result in a more equitable balance between housing opportunities and employment opportunities within the City, which will allow residents to live closer to their jobs and thereby reduce commuting distances and times. A complementary commitment of development mitigation, development phasing, and performance monitoring is necessary to achieve a coordinated land use development and transportation infrastructure. The City of Laguna Hills will ensure actions described

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below will be applied to applicable development projects and a Citywide assessment of land use development/transportation infrastructure capacity will be conducted in conjunction with fee program implementation and capital improvement program development.

Development Mitigation Program – To compensate the public for any increased burden on public services attributed to new development, jurisdictions have the authority to impose reasonable fees or require related improvements. The County of Orange and the City of Laguna Hills have imposed development fees on development for transportation improvements within the City. The City of Laguna Hills Development Mitigation Program requires development proposals be reviewed so new development may pay its share of costs

- associated with that development on existing and planned transportation facilities.
- Development Phasing Program - The Laguna Hills General Plan Implementation Program includes level of service standards for public services and facilities and a requirement that adequate services and facilities be available to support the proposed development. This development requirement will provide effective phasing of new development.
- Performance Monitoring Program – The City of Laguna Hills will review traffic levels of service on City arterials, contrast operating levels of service with General Plan performance standards, and program necessary improvements in conjunction with the annual development of its Capital Improvement Program. This information will be shared with participating jurisdictions in applicable Growth Management Area Inter-jurisdictional Planning Forums.

The City of Laguna Hills also will maintain adopted traffic performance standards by outlining and coordinating necessary transportation improvements, including a Seven-Year Capital Improvements Program, Traffic Improvement/Public Facilities Development Agreements consistent with the Growth Management Element and its implementing ordinances, plans, and programs. In addition, the City is an active participant in inter-jurisdictional forums for Orange County jurisdictions that address area-wide transportation improvement projects. Furthermore, the City of Laguna Hills endorses alternative transportation modes and strategies to reduce vehicular trips and has adopted programs to reduce trip generation, including a Transportation Demand Management Ordinance to assist in reducing trips to and from employment.

The goals and implementation programs described above enable the City of Laguna Hills to attain the most equitable balance possible between housing opportunities and employment opportunities within the City. This balance is maintained further by planning for housing opportunities affordable to low-income and moderate-income families within the Urban Village area of Laguna Hills because this additional housing opportunity is located close to a collection of land uses (existing and planned) that are employment intensive. The Urban Village context represents an intensification of land uses within the area designated on the City of Laguna Hills General Plan land use map as Village Commercial that would create a pedestrian-oriented mixed use retail, office service, and multi-family residential area.

Zoning Regulations

Zoning regulates use, density, setbacks, parking, placement, and mix of residential, commercial, and industrial developments in a manner reflecting community goals and objectives. Zoning also regulates intensity of residential land use through minimum lot size requirements. After incorporation, the City of Laguna Hills inherited six planned community areas, a portion of the Orange County Aliso Creek Recreational Specific Plan, and areas that had been developed under

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conventional County zoning. Created as specialized zoning districts, planned communities and specific plans establish development standards applied to a particular area. Each planned community is required to adopt written standards of development and a development plan. Differences in density and specific development standards within each planned community have made administration of subsequent development approvals cumbersome.

In accordance with State law, upon incorporation, the City of Laguna Hills adopted the County system of discretionary applications, processes and procedures. However, due to the numerous specific plans (each having its own development standards) the City Planning Department deemed it necessary to compose one comprehensive set of standards to guide zoning regulations. The City eliminated some discretionary permit requirements and refined other such requirements. These changes ensured a more simple and streamlined discretionary process than had existed immediately after incorporation.

In 1995, the City adopted a revised comprehensive set of zoning regulations that established zoning districts consistent with its General Plan and necessary to implement its General Plan. Zoning categories became as follows: Residential; Commercial/Office; Mixed Use; Public/Institutional; and, Open Space. The Residential category contained five separate zoning districts; the Commercial/Office category contained four separate zoning districts. The Open Space category had three separate zoning districts. Other categories had one zoning district for each category. Additionally, the City adopted by ordinance a map portraying location and extent of various zoning districts within the City.

The comprehensive revision to the Zoning Code established a master list of uses permitted within each zoning district and indicated that uses not specified in the master list or within the Zoning Code chapter for each zone were prohibited. Uses identified on the master list were classified by type as one of the following: accessory use; conditional use; permitted use; temporary use; and, prohibited use. Additionally, certain uses were identified as permitted subject to approval of a special use permit, site development permit, or other special requirements. Those residential uses most pertinent to this Element that are allowable in the Laguna Hills Zoning Code are as follows. Accessory living quarters/second unit housing are conditional uses in all Residential districts; a boarding house is a conditional use within the Medium Low, Medium, and High Density Residential districts and requires a site development permit within the Office Professional, Village Commercial, Freeway Commercial, Community Commercial, and Mixed Use districts. A community care facility use has special requirements within all Residential districts, the Office/Professional district, the Village Commercial district, the Mixed Use district, and the Community/Private Institution district. A community center is a conditional use within the Office/Professional, Village Commercial, Freeway Commercial, Community Commercial and Mixed Use districts and requires a site development permit within the Community/Private Institution and Open Space-1 districts. Various types (duplex: multiple family; single family attached; single family detached) of residential uses are permitted, conditional, or are required to have a site development permit within Residential districts or, in the cases of multiple family and single family attached dwellings, within the Mixed Use or Community/Private Institution districts. Guest quarters or guest home uses are accessory uses in all Residential districts except the High Density district. Mobile homes require a site development permit to be established within the Estate, Low Density or Medium Lower Density Residential districts. A mobile home park is a conditional use within the Medium and High Density Residential districts and the Mixed Use district. A senior center is a conditional use within all districts except the Open Space-1 Parks, and Open Space-2 Drainage Facilities districts. A single room occupancy housing facility is a use having special requirements within the Office/Professional, Village Commercial, Freeway Commercial, Community Commercial, and Mixed Use zoning districts. All such uses are subject to specified development standards.

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Residential Development Standards

Estate Residential (ER) District

The Estate Residential District is established to provide for low density, rural, and equestrian oriented residential neighborhoods in hillside areas. This District is characterized by large lot single-family residences. Additional various residential and residentially-related uses permitted outright, or by use permit or site development permit include accessory living quarters/second unit housing, accessory structures, guest quarters/guest houses, mobile homes, and senior centers. Large animal husbandry also is permitted in the Estate Residential District. Although large animals are permitted, it is not the purpose of this zone to establish standard agricultural pursuits within this District. It is consistent with the intent of this District to allow limited commercial boarding, are provision and breeding facilities, and maintenance of private stables, provided such properties meet required standards of the City of Laguna Hills Development Code.

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ESTATE RESIDENTIAL DISTRICT ZONING STANDARDS

ITEM	STANDARD
Minimum Lot Size	10,000 Square Feet
Minimum Lot Width: Standard Lot	80 Feet
Minimum Lot Width: Cul-De-Sac	30 Feet
Minimum Lot Width: Flag Lot	20 Feet
Minimum Lot Depth	100 Feet
Maximum Lot Coverage	35%
Maximum Density	0 – 3.5 Dwelling Units/Acre (Gross)
Maximum Building Height	35 Feet
Minimum Front Yard Setback	20 Feet from Ultimate Right-of-Way 15 Feet from Access Connection to Main Lot for Flag Lots
Minimum Side Yard Setback: Interior	8 Feet
Minimum Side Yard Setback: Street	10 Feet
Minimum Side Yard Setback: Flag Lot	10 Feet
Minimum Rear Yard Setback: Standard Lot	25 Feet
Minimum Rear Yard Setback: Through Lot	25 Feet
Minimum Rear Yard Setback: Cul-De-Sac/Gore Shaped Lots	15 Feet
Minimum Building Separation: Main-Main	10 Feet
Minimum Building Separation: Main-Accessory	2.5 Feet
Minimum Building Separation: Accessory-Accessory	2.5 Feet
Parking Standards: Up to 4 Bedrooms	2 in Garage
Parking Standards: More Than 4 Bedrooms	2 in Garage + 1 Covered Stall for Every 2 Bedrooms over 4 Bedrooms
Parking: Mobile Home Park::	1 Covered and Assigned Stall, Plus 2 Visitor Stalls per Mobile Home
Parking: Senior Citizen Housing Complex	1 Covered and Assigned Stall, plus 2 Guest Stalls per Dwelling Unit, Plus 1 Stall for the Resident Manager
Parking: Accessory Dwelling Unit/Second Unit Housing	1 Covered (Non-Tandem)

The Estate Residential District development standards essentially preclude housing affordable to low-income or moderate-income families. Opportunities for affordable housing within the Estate Residential District are limited to accessory living quarters and second unit housing.

Low-Density Residential (LDR) District

The Low-Density Residential District is provides for low density, single-family detached housing neighborhoods. This District is characterized by medium to large lot single-family residences. Additional residential/residentially-related uses permitted outright, by conditional use permit, or by site development permit include accessory living quarters/second unit housing, accessory structures, guest quarters/guest houses, manufactured homes, mobile homes, and senior centers.

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LOW DENSITY RESIDENTIAL DISTRICT ZONING STANDARDS

ITEM	STANDARD
Minimum Lot Size	7,200 Square Feet
Minimum Lot Width: Standard Lot	60 Feet
Minimum Lot Width: Cul-De-Sac	30 Feet
Minimum Lot Width: Flag Lot	20 Feet
Minimum Lot Depth	80 Feet
Minimum Lot Coverage	35%
Minimum Density	3.0 – 6.5 Dwelling Units/Acre (Gross)
Maximum Building Height	35 Feet
Minimum Front Yard Setback	20 Feet from Ultimate Right-of-Way 15 Feet from Access Connection to Min Lot for Flag Lots
Minimum Side Yard Setback: Interior	5 Feet
Minimum Side Yard Setback: Street	10 Feet
Minimum Side Yard Setback: Flag Lot	10 Feet
Minimum Rear Yard Setback: Standard Lot	25 Feet
Minimum Rear Yard Setback: Through Lot	25 Feet
Minimum Rear Yard Setback: Cul-De-Sac/Gore Shaped Lots	15 Feet
Minimum Building Separation: Main-Main	10 Feet
Minimum Building Separation: Main-Accessory	2.5 Feet
Minimum Building Separation: Accessory-Accessory	2.5 Feet
Parking: Up To 4 Bedrooms	2 in Garage
Parking: More Than 4 Bedrooms	2 in Garage + 1 Covered Stall for Every 2 Bedrooms over 4 Bedrooms
Parking: Mobile Home Park:	1 Covered and Assigned Stall, Plus 2 Visitor Stalls per Mobile Home
Parking: Senior Citizen Housing Complex:	1 Covered and Assigned Stall, Plus 2 Guest Stalls per Dwelling Unit, Plus 1 Stall for Resident Manager
Parking: Accessory Dwelling Unit/Second Unit Housing	1 Covered (Non-Tandem)

The Low Density Residential District development standards essentially preclude housing affordable to low-income or moderate-income families. Opportunities for affordable housing within the Low Density Residential District are limited to accessory living quarters and second unit housing.

Medium Low Density Residential (MLDR) District

The Medium Low Density Residential District provides for medium low density attached or detached residential neighborhoods. The Medium Low Density Residential District is characterized by small lot single-family residences, patio homes, duplexes, condominiums, and townhomes. Additional various residential and residentially-related uses permitted outright or by conditional use permit or site development permit include accessory living quarters/second unit housing, boarding houses, guest quarters/guest houses, manufactured homes, mobile homes, and senior centers.

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MEDIUM LOW DENSITY RESIDENTIAL ZONING STANDARDS

ITEM	STANDARD
Minimum Lot Size	7,200 Square Feet
Minimum Lot Width: Standard Lot	60 Feet
Minimum Lot Width: Cul-De-Sac	30 Feet
Minimum Lot Width: Flag Lot	20 Feet
Minimum Lot Depth	80 Feet
Maximum Lot Coverage	60%
Maximum Density	6.5 – 12.5 Dwelling Units/Acre (Gross)
Maximum Building Height	35 Feet
Minimum Front Yard Setback	20 Feet from Ultimate Right-of-Way 15 Feet from Access Connection to Main Lot for Flag Lots
Minimum Side Yard Setback: Interior	5 Feet
Minimum Side Yard Setback: Street	10 Feet
Minimum Side Yard Setback: Flag Lot	10 Feet
Minimum Rear Yard Setback: Standard Lot	25 Feet
Minimum Rear Yard Setback: Through Lot	25 Feet
Minimum Rear Yard Setback: Cul-De-Sac/Gore Shaped Lots	15 Feet
Minimum Building Separation: Main-Main	10 Feet
Minimum Building Separation: Main-Accessory	2.5 Feet
Minimum Building Separation: Accessory-Accessory	2.5 Feet
Parking Standards: Single-Family Detached, Up to 4 Bedrooms	2 in Garage
Parking Standards: Single-Family Detached, More Than 4 Bedrooms	2 in Garage + 1 Covered Stall for Every 2 Bedrooms over 4 Bedrooms
Parking: Single-Family Attached	2 Assigned and Covered Parking Stalls within a Garage or Parking Structure, Plus .3 Stalls Unassigned per Dwelling Unit
Parking Duplex:	2 Car Garage For Each Unit
Parking: Multi-Family Units (Including Timeshares): 1 Bedroom or Less	1 Covered Stall Per Unit, 1 Uncovered Stall Per Unit, .2 Visitor Stall Per Unit
Parking: Multi-Family Units (Including Timeshares): 2 Bedrooms	1 Covered Stall Per Unit, 1 Uncovered Stall Per Unit, .2 Visitor Stall Per Unit
Parking: Multi-Family Units (Including Timeshares): 3 Bedrooms	2 Covered Stalls Per Unit, .5 Uncovered Stall Per Unit, .2 Visitor Stall Per Unit
Parking: Multi-Family Units (Including Timeshares): More Than 3 Bedrooms	2 Covered Stalls Per Unit, .5 Uncovered Stall Per Unit Plus .5 Uncovered Stall Per Additional Bedroom in Excess of 3, .2 Visitor Stall Per Unit
Parking: Accessory Dwelling Unit/Second Unit Housing	1 Covered (Non-Tandem)
Parking: Senior Citizen Housing Complex	1 Covered and Assigned Stall, plus 2 Guest Stalls per Dwelling Unit, Plus 1 Stall for the Resident Manager

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The Medium Low Density Residential Zoning District development standards allow for residence types that may be affordable to low-income or moderate-income families.

Medium Density (MDR) Residential District

The Medium Density Residential District provides for medium density attached or detached residential neighborhoods. The Medium Density Residential District is characterized by condominiums, apartments, and townhomes. Additional various residential and residentially-related uses permitted outright or by conditional use permit or site development permit include duplexes, accessory living quarters/second unit housing, boarding houses, guest quarters/guest houses, manufactured homes, mobile home parks, and senior centers.

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MEDIUM DENSITY RESIDENTIAL ZONING STANDARDS

ITEM	STANDARD
Minimum Lot Size	7,200 Square Feet
Minimum Lot Width: Standard Lot	50 Feet
Minimum Lot Width: Cul-De-Sac	30 Feet
Minimum Lot Width: Flag Lot	20 Feet
Minimum Lot Depth	100 Feet
Maximum Lot Coverage	50%
Maximum Density	12.5 - 18 Dwelling Units/Acre (Gross)
Maximum Building Height	35 Feet
Minimum Front Yard Setback	20 Feet from Ultimate Right-of-Way 15 Feet from Access Connection to Main Lot for Flag Lots
Minimum Side Yard Setback: Interior	5 Feet
Minimum Side Yard Setback: Street	15 Feet
Minimum Side Yard Setback: Flag Lot	10 Feet
Minimum Rear Yard Setback: Standard Lot	25 Feet
Minimum Rear Yard Setback: Through Lot	25 Feet
Minimum Rear Yard Setback: Cul-De-Sac/Gore Shaped Lots	15 Feet
Minimum Building Separation: Main-Main	10 Feet
Minimum Building Separation: Main-Accessory	2.5 Feet
Minimum Building Separation: Accessory-Accessory	2.5 Feet
Parking Standards: Single-Family Detached, Up to 4 Bedrooms	2 in Garage
Parking Standards: Single-Family Detached, More Than 4 Bedrooms	2 in Garage + 1 Covered Stall for Every 2 Bedrooms over 4 Bedrooms
Parking: Single-Family Attached	2 Assigned and Covered Parking Stalls within a Garage or Parking Structure, Plus .3 Stalls Unassigned per Dwelling Unit
Parking: Duplex	2 Car Garage For Each Unit
Parking: Multi-Family Units (Including Timeshares): 1 Bedroom or Less	1 Covered Stall Per Unit, 1 Uncovered Stall Per Unit, .2 Visitor Stall Per Unit
Parking: Multi-Family Units (Including Timeshares): 2 Bedrooms	1 Covered Stall Per Unit, 1 Uncovered Stall Per Unit, .2 Visitor Stall Per Unit
Parking: Multi-Family Units (Including Timeshares): 3 Bedrooms	2 Covered Stalls Per Unit, .5 Uncovered Stall Per Unit, .2 Visitor Stall Per Unit
Parking: Multi-Family Units (Including Timeshares): More Than 3 Bedrooms	2 Covered Stalls Per Unit, .5 Uncovered Stall Per Unit Plus .5 Uncovered Stall Per Additional Bedroom in Excess of 3, .2 Visitor Stall Per Unit
Parking: Accessory Dwelling Unit/Second Unit Housing	1 Covered (Non-Tandem)
Parking: Senior Citizen Housing Complex	1 Covered and Assigned Stall, plus 2 Guest Stalls per Dwelling Unit, Plus 1 Stall for the Resident Manager

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The Medium Density Residential Zoning District development standards allow for residence types that may be affordable to low-income or moderate-income families.

High Density (HDR) Residential District

The High Density Residential District provides for high density attached or detached residential neighborhoods compatible with adjacent or abutting urban uses. The High Density Residential District is characterized by condominiums, apartments, and residential towers. Additional various residential and residentially-related uses permitted outright or by conditional use permit or site development permit include duplexes, accessory living quarters/second unit housing, boarding houses, guest quarters/guest houses, manufactured homes, mobile home parks, and senior centers.

HIGH DENSITY RESIDENTIAL ZONING STANDARDS

ITEM	STANDARD
Minimum Lot Size	7,200 Square Feet
Minimum Lot Width: Standard Lot	50 Feet
Minimum Lot Width: Cul-De-Sac	30 Feet
Minimum Lot Width: Flag Lot	20 Feet
Minimum Lot Depth:	100 Feet
Minimum Lot Coverage:	40%
Maximum Density:	18 – 30 Dwelling Units/Acre
Maximum Building Height:	65 Feet
Minimum Front Yard Setback:	20 Feet from Ultimate Right-of-Way 15 Feet from Access Connection to main Lot for Flag Lots
Minimum Side Yard Setback: Interior	5 Feet
Minimum Side Yard Setback: Street	15 Feet
Minimum Side Yard Setback: Flag Lot	10 Feet
Minimum Rear Yard Setback: Standard Lot	25 Feet
Minimum Rear Yard Setback: Through Lot	25 Feet
Minimum Rear Yard Setback: Cul-De-Sac/Gore Shaped Lots	15 Feet
Minimum Open Space:	40%
Minimum Landscape Coverage (Includes Open Space)	25%
Minimum Building Separation: Main-Main	10 Feet
Minimum Building Separation: Main-Accessory	2.5 Feet
Minimum Building Separation: Accessory-Accessory	2.5 Feet
Parking Standards: Single-Family Detached, Up to 4 Bedrooms	2 in Garage
Parking Standards: Single-Family Detached, More Than 4 Bedrooms	2 in Garage + 1 Covered Stall for Every 2 Bedrooms over 4 Bedrooms

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Parking: Single-Family Attached	2 Assigned and Covered Parking Stalls within a Garage or Parking Structure, Plus .3 Stalls Unassigned per Dwelling Unit
Parking: Duplex	2 Car Garage For Each Unit
Parking: Multi-Family Units (Including Timeshares): 1 Bedroom or Less	1 Covered Stall Per Unit, 1 Uncovered Stall Per Unit, .2 Visitor Stall Per Unit
Parking: Multi-Family Units (Including Timeshares): 2 Bedrooms	1 Covered Stall Per Unit, 1 Uncovered Stall Per Unit, .2 Visitor Stall Per Unit
Parking: Multi-Family Units (Including Timeshares): 3 Bedrooms	2 Covered Stalls Per Unit, .5 Uncovered Stall Per Unit, .2 Visitor Stall Per Unit
Parking: Multi-Family Units (Including Timeshares): More Than 3 Bedrooms	2 Covered Stalls Per Unit, .5 Uncovered Stall Per Unit Plus .5 Uncovered Stall Per Additional Bedroom in Excess of 3, .2 Visitor Stall Per Unit
Parking: Accessory Dwelling Unit/Second Unit Housing	1 Covered (Non-Tandem)
Parking: Senior Citizen Housing Complex	1 Covered and Assigned Stall, plus 2 Guest Stalls per Dwelling Unit, Plus 1 Stall for the Resident Manager

The High Density Residential Zoning District development standards allow for residence types that may be affordable to low-income or moderate-income families.

In addition to site development standards, the Laguna Hills zoning ordinance contains the following provisions that affect land use within the City.

- Condominium Conversion Use Permit: This requires a use permit and condominium conversion program for conversion of existing residential units to condominiums. The conversion program must detail how affordable housing will be achieved, analyze balance of housing vacancy rates in the City, and include a relocation plan.

- Housing Development Incentives: These provide incentives as a means to implement General Plan housing objectives. Among the incentives are density bonuses for housing development; density bonuses for condominium conversions, provision of opportunities to develop housing within nonresidential districts, fiscal incentives (reduction in fees for applications for any affordable housing project; waiver or reduction in fees for building permits equal to the density bonus granted; financial assistance for acquisition of property mortgage assistance, sale of housing bonds, rent subsidies, or provision of improvements to serve a site; low interest loans or subsidies to promote rehabilitation or remodeling of housing units to serve very low or low income residents), and procedural incentives (combination of all required applications for consideration at one review hearing; fast track processing of all housing development projects; provision of priority processing and scheduling for review of housing projects).

The comprehensive revision to the Zoning Code provided for a streamlined review and approval process for development within the City, and eliminated the need to research a variety of planned community regulations containing different and distinct standards for residential development.

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Table A-18
City of Laguna Hills General Plan Land Use
(Not Including October, 2000 Annexation)

General Plan		
Land Use Designation	Density	Acres
Estate Residential	0-3.5 du/ac	1,150.55
Low Density	3.0-6.5 du/ac	931.95
Medium Low Density	6.5-12.5 du/ac	346.03
Medium Density	12.5-18 du/ac	104.05
High Density	18-30 du/ac	78.28
Village Commercial	F.A.R. designations equal to allowable designations plus an additional percentage as regulated by the established trip budget. ¹	206.10
Freeway commercial	0.40 F.A.R.	64.92
Community Commercial	0.35 F.A.R.	74.46
Office Professional	0.50 F.A.R.	21.40
Mixed Use	0.50 F.A.R.	298.40
Public/Institutional	1.0 F.A.R.	197.06
Park	Governed by Recreation purpose of the land	128.26
Open Space	Governed by open space purpose of the land, not intended for urban development	478.24
Annexation (January 1, 2001)	6.63 du/ac	347
Total		4,426.7

Sources Planning Network, 1993

1. Additional information regarding the maximum intensity of development and related trip budgets for the Village Commercial land designation is included in the Community Development and Design Chapter.
2. The Planning Center

The above figures include the 347-acre parcel from the community of Aliso Viejo voted for annexation to the City of Laguna Hills in October, 2000 and annexed to the City on January 1, 2001. That parcel contains single-family and multi-family residential developments and a local park. Overall residential density of the annexation parcel is 6.63 dwelling units per acre; the annexation area contains a population of 4,832. In approving the annexation application, the Laguna Hills City Council adopted an ordinance amending Title 9 of the Laguna Hills Municipal Code by adding Chapter 9-39 "PC Planned Community District" and adopted and designated the annexation area as the "Laguna Hills Planned Community District." The Planned Community District was made a part of the Laguna Hills Municipal Code because the annexation area

November 1, 2000

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development standards did not fit into any existing City of Laguna Hills Zoning Code District standards.

The City of Laguna Hills Municipal Code also defines requisite discretionary permits and establishes requirements for submission of application for the discretionary permits. The Planning Department prepares and maintains information materials for each permit required by the Code. These materials include application forms, questionnaires, and other information that addresses content of applications, fee information, and general processing procedures and requirements. Those discretionary permits pertaining most closely to provision of housing affordable to low income, moderate income, and special needs populations are General Plan Amendments, Precise (Specific) Plans, Conditional Use Permits, Special Use Permits, Site Development Permits, and Variances. These permits are described briefly in Table A-19.

Table A-19
City of Laguna Hills
Discretionary Permits 2000

Permit Type	Description	Development Review Schedule
General Plan Amendment	A General Plan Amendments may be proposed to change general plan land use designations.	A General Plan Amendments may require a processing time of 12 months or more, depending in part on the environmental determination accompanying the Amendment processing.
Precise (Specific) Plan	A Precise (Specific) Plan is required for developments within mixed use zones whenever more than one variety of land use is proposed for a single property or a limited collection of abutting properties.	A Precise (Specific) Plan may require a processing time of 6 – 12 months or more, depending on the accompanying environmental determination.
Conditional Use Permit	A Conditional Use Permit is used to evaluate uses that may have a moderated to high potential for adverse impact to adjacent or abutting uses or the surrounding community due to operating characteristics.	Processing time for a Conditional Use Permit is approximately 3-4 months.
Site Development Permit	A Site Development Permit is required for most development projects, issued in absence of any other specified permit or approval, and may be required in addition to other approvals.	An administrative site development permit takes 3-4 weeks to review. A Planning Commission site development permit takes 2-3 months to review.
Variance	A Variance may be granted from any development standard or criteria affecting establishment of a use in a zoning district but may not be granted to approve a use which would otherwise be prohibited by a zoning district.	An administrative variance takes 3-4 weeks to review. A Planning Commission variance takes 2-3 months to review.

Source: City of Laguna Hills Zoning Ordinance, as adopted 1991 and subsequently amended

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Site Development Permit

A Site Development Permit, approved by the Planning Agency, is required for some residential projects as follows.

- Estate Residential District – A Site Development Permit is required for Manufactured Home and Mobile Home uses.
- Low Density Residential District – A Site Development Permit is required for Manufacture Home and Mobile Home uses.
- Medium Low Density Residential District – A Site Development Permit is required for Multiple-Family Dwellings, Manufactured Home, and Mobile Home uses.
- Medium Density Residential District – A Site Development Permit is required for Multiple-Family Dwellings and Manufactured Home uses.
- High Density Residential District – A Site Development Permit is required for Multiple-Family Dwellings, Single-Family Attached Dwellings, and Manufactured Home uses.

The impact of processing a Site Development Permit on residential development can be increased development costs associated with processing fees and with added costs in obtaining purchase and/or construction loans with financial institutions.

Discretionary Permit(s) Processing Times

As indicated in Table A-19 above, processing times vary for various discretionary permits in the City of Laguna Hills. A General Plan Amendment may take 12 or more months to process should an Environmental Impact Report be required. A Precise Plan (Specific Plan) may take between 6 to 12 months to process, depending on the required and appropriate environmental documentation. The Precise Plan is required for developments with more than one proposed land use for a single property or for a limited collection of abutting properties. The processing time for a Conditional Use Permit is approximately 3 to 4 months, unless detailed environmental documentation is required that would lengthen the processing time. This Permit evaluates uses that may adversely impact adjacent or abutting uses or the surrounding community due to operating characteristics of the proposed use. A discretionary (Planning Commission Public Hearing) Site Development Permit takes 2 to 3 months to process in the City. This Permit type is required for some residential (and non-residential) development projects and is issued in absence of another specified permit or approval. A Site Development Permit may be required in addition to other discretionary or ministerial permits. A discretionary Variance application takes 2 to 3 months to process. The Planning Commission may grant a Variance from any development standard or criteria affecting the establishment of a use in a zoning district, but may not be granted to approve a use that would otherwise be prohibited by a zoning district.

On Site and Off Site Improvement Requirements

Commonly required on site improvements for residential projects are the following:

- Internal Circulation System – Public/Private roads, drives, curbs, gutters, vehicle (including fire protection and emergency vehicle) turnarounds.
- Water and Wastewater Disposal Systems
- Utilities Systems
- Walls/Fencing
- Landscaping
- Recreational Facilities (for Multi-Family projects)
- Parking Facility (Covered/Uncovered)

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Commonly required off site improvements for residential projects are the following:

- Traffic Signalization
- Roadway Improvements
- Water and Wastewater Disposal Systems
- Parks (Fee Program)
- Schools (Fee Program)

Building Codes and Enforcement

Building codes regulate new construction and rehabilitation, and are designed to ensure adequate protection against fire, structural collapse, unsanitary conditions and other safety hazards. Laguna Hills has adopted and enforces the Uniform Building Code (UBC), and has adopted local amendments to State codes. The City Council of the City of Laguna Hills adopted by ordinance the 1998 edition of the "California Building Code," and also adopted and incorporated by reference the 1998 edition of the "California Building Code" Volumes 1, 2, and 3, including all national codes and standards based on the 1997 Uniform Building Code, as published by the International Conference of Building Officials. The various parts of these Codes and Standards, together with additions, amendments, and deletions adopted in Chapter 10-28 of the City Municipal Code, constitute the Laguna Hills "Building" Code. These Codes establish minimum construction standards for all residential buildings. Cities can adopt stricter standards but cannot reduce standards. Thus, the City of Laguna Hills is precluded from revising its Building Codes as a means of reducing construction costs. However, Building costs do not appear to be unduly increased through local building codes. State energy conservation regulations, which are cost effective in the long term, may add to construction costs.

Since most housing in the City is less than 30 years old, existing housing within the City does not appear to exhibit quality problems. Code enforcement in the City is accommodated on a call-in and complaint basis. The Building Department will inspect buildings for code violations and inform the owner of necessary improvements. There does not appear to be a need to expand present code enforcement activities as indicated by lack of a significant housing quality problem. In addition, the Building Department is responsible for receiving and processing fair housing complaints. The City of Laguna Hills has not received a fair housing complaint in the eight months prior to composition of the Year 2000 Housing Element update.

Fees and Exactions

The role fees play in constraining production of housing is difficult to measure, although fees can affect housing prices in certain markets. The theory behind fees is that new development should bear its own costs and these costs should be spread equitably. State law requires fees bear a reasonable relationship to actual costs incurred by the City. Even so, fees may add significantly to cost of a housing unit. Fees are collected by the City to defray costs of permit processing, inspections and environmental review, and to contribute to construction of facilities and delivery of services such as water, sewer, storm drains, parks and recreation, and social services. City of Laguna Hills fees for discretionary applications are compared to discretionary application fees of various surrounding cities in Table A-20.

City of Laguna Hills planning fees are commensurate to, or less than, fees of surrounding jurisdictions, with the exception of the City of Laguna Beach. The City of Laguna Hills will monitor residential fees to assess impact of fees on housing costs within the City and to ensure residential fees reflect actual permit processing costs.

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The City of Laguna Hills also assesses impact fees for residential developments. These fees are as follows:

Fire Protection Service Plan Checks/Field Inspections - \$2,000 (approximate)
Saddleback Valley Unified School District Fees - \$2.05/square foot of new residential construction
San Joaquin Hills Transportation Corridor Agency - \$1,574 - \$2,027 per multi-family unit
Foothill/Eastern Transportation Corridor Agency - \$1,621 - \$2,285 per multi-family unit
Coastal Area Road Improvements and Traffic Signals, Major Thoroughfare and Bridge Fee Program
- \$575 - \$1,371 per multi-family unit
Strong-Motion Instrumentation and Seismic Hazard Mapping Fee - (Valuation Amount)(0.0001)

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Table A-20
Comparison of Development Fee Schedules (2000)

Fee Category	City of Laguna Hills	City of Laguna Niguel	City of Lake Forest	City of Laguna Beach	City of Mission Viejo
Environmental					
Initial Study	Cost of environmental action for set fee project applications are included in set fee for the project	N/A	\$5,000 dep/hrly	N/A	\$500
EIR Processing	See above.	\$5,000 dep/hrly	\$5,000 dep/hrly	\$1,050 min	\$5,000 trust deposit
Environmental Review	See above.	N/A	\$5,000 dep/hrly	N/A	N/A
Categorical Exemption	See above.	\$34	N/A	\$70	\$71
Planning					
General Plan Amendment	\$3,000 dep/hrly	\$5,000 dep/hrly	\$6,500 dep/hrly	\$1,210	Hourly Rate
Zone Change	\$3,000 actual cost deposit	\$5,000 dep/hrly	\$5,500 dep/hrly	\$1,210	Hourly Rate
Tentative Tract Map	\$2,500 actual cost deposit	\$2,925 + \$20/numbered lot dep/hrly	\$5,500 dep/hrly	\$2,500 + \$420/lot	\$4,500 + \$20/numbered lot
Site Plan Review	\$3,000 actual cost deposit	\$4,400 dep/hrly	\$5,500 dep/hrly	N/A	\$3,300
Tentative Parcel Map	\$2,500 actual cost deposit	\$2,080 dep/hrly	\$5,000 dep/hrly	\$1,250 + \$420/lot	\$3,925

Non-Governmental Constraints

Developers' Market Perceptions

Developers generally design projects for a specific market segment. This market segment is selected based on developer perception regarding how profitability and sales rates of projects might be maximized. In general, upper end housing provides greater opportunities for profit than do middle end or "affordable" housing projects. In addition, developers often provide amenities over and above minimums required by City zoning, subdivision, or building codes. These amenities add to cost of housing; however, it is not reasonable for a City to prevent developers from providing amenities beyond those required by that City or from imposing more stringent standards such as lower than maximum allowable densities.

Availability of Developable Land for Low and Moderate Income Housing

The City of Laguna Hills has very few vacant parcels of land available for urban residential use that could be developed without creating significant adverse environmental impacts. The uncommitted

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open space parcels that exist within the City represent improved lots within established neighborhoods and lands possessing a wide variety of significant environmental features such as sensitive biological habitats and habitat linkages, steep hillsides and canyons, and intermittent wetland areas. The majority of lands suitable for development (i.e. flat areas with few significant environmental features) represent existing residential parcels within established neighborhoods or are located within areas currently impacted by high traffic generating land uses and are not suitable for residential uses. Additionally, available residential vacant parcels are located in developments that have approved development agreements that do not allow future increases in density or intensity. Furthermore, retention of commercial and business park lands in non-residential use is necessary to increase local employment opportunities and reduce vehicle miles traveled within the City and thereby achieve consistency with the South Coast Air Quality Management Plan. Apart from existing residential infill parcels, these lands generally have commercial or business park development project approvals, vesting tentative maps, or development agreements, and therefore are not available for conversion to residential uses.

Most commercial and business park uses within Laguna Hills are relatively new. Therefore, opportunities for converting existing developed commercial and business park lands to residential use is limited. Cost of purchasing viable commercial or business park buildings for residential development would be prohibitive and would result in significant long-term negative fiscal impacts for the City. Additionally, existing commercial and business park uses do not exhibit signs of blight and therefore are not eligible for recycling through redevelopment activities.

Land and Construction Costs

Land and construction costs are a significant component in housing cost. Land costs are a function of the private market and are relatively high due to the City's location near major employment centers. Due to the built out nature of the City, vacant land which is available for development of affordable housing projects is nearly nonexistent, and cannot be compared to surrounding jurisdictions. Construction costs also are set by the private market and are influenced by a variety of factors including availability and price of materials and labor, quality of construction and amenities offered.

Cost factors (per square foot) used to estimate cost of new housing in 1999 are estimated as follows.

Apartment Houses

Wood Frame \$57.90 (average quality); \$74.40 (good quality)

Single Family Dwellings

Masonry \$68.70 (average quality); \$88.00 (good quality)

Wood Frame \$61.10 (average quality); \$83.90 (good quality)

Construction costs can account for 35 - 45 percent of total housing costs. Rising construction costs also impact ability of homeowners or landlords to provide needed rehabilitation of substandard residential units.

Product design and consumer expectations also influence types and styles of units. New homes in year 2000 are different from those produced in the 1970s. Interior and exterior design features (e.g., larger master bedroom suites, microwave ovens, trash compactors, dishwashers, wet bars, decorative roofing materials, exterior trim, architectural style) make cost comparisons over time difficult.

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Condominium Conversions

As demand for rental units and willingness to pay rent increases, the private market can pressure apartment owners to convert apartment units to condominiums. A condominium conversion can be a constraint on maintenance of housing and can impact rental units that may serve many economic segments of the Laguna Hills. The Ellis Act is a State law that establishes rights for renters in apartments converting to condominiums and includes restrictions on new rents.

Availability and Cost of Financing

Financing costs largely are not subject to local influence. Control of interest rates is determined by national policies and economic conditions. Interest rates directly influence purchasing power of home buyers and cost of home construction through construction loans. Currently, interest rates are at a level that enables many of the upper and middle economic classes to afford a home purchase. However, the banking industry has adopted more conservative lending criteria for construction loans, especially for multiple family housing. These factors have influenced housing supply throughout Southern California.

Environmental

The entire Southern California region is located within a region of high seismic activity. Potential for strong ground shaking should be accommodated in building design.

Infrastructure

Infrastructure of critical importance to maintenance of existing housing and development of new housing includes water facilities, sewerage facilities, streets, sidewalks, and curbs. Provision and maintenance of these facilities in a community enhances neighborhood character and serves as an incentive to homeowners to maintain their homes. In the alternative, when these public improvements are left to deteriorate or are over-extended in use, neighborhoods in which they are located become neglected and deteriorated. Nearly all City of Laguna Hills residential land has been developed or is committed for development. Infrastructure to accommodate existing developments is already in place.

Jobs/Housing Balance

Jobs/housing balance has been discussed as a mechanism to reduce traffic congestion and air pollution and as a way for cities to plan for a community with job and housing opportunities for everyone. Jobs/housing balance is a ratio indicating number of jobs in the community per household. As of July, 1993 the City of Laguna Hills had 8,190 housing units and employment of 12,225. This calculated to a jobs/housing ratio of 1.49, or 1.49 jobs per housing unit. The Southern California Association of Governments (SCAG) has identified the "ideal" jobs/housing ratio as 1.2 jobs per household. Therefore, the City of Laguna Hills qualifies as slightly "job-rich." The City is also located within a regional area that is also "job-rich."

GENERAL PLAN IMPLEMENTATION AND MONITORING PROGRAM

HOUSING IMPROVEMENT PROGRAM

The existing City of Laguna Hills General Plan "Housing Improvement Program" provides the basis for the Year 2000 Housing Plan. Additionally, this Housing Plan recognizes that Laguna Hills has a "zero" need for new housing construction, as established in the Southern California Association of Government Regional Housing Needs Assessment conducted in year 2000. As a consequence, the Year 2000 Housing Plan places emphasis on preserving existing housing resources and providing housing opportunities for special needs populations in local (jurisdictional) and regional contexts. The special needs populations most evident within Laguna Hills and most easily quantifiable by United States Census of Population and Housing are the elderly, the challenged (handicapped), and female-headed households. Special needs populations less evident and less easily quantifiable by the Census are the homeless and people living with HIV/AIDS. The City of Laguna Hills recognizes the homeless, in particular, exist in every community but may be transient and therefore may more accurately be classified as a regional special needs population rather than as a "city" special needs population. This is done in acknowledgement that many categories of special needs populations are regional in nature rather than confined to jurisdictional boundaries, and that the City of Laguna Hills has little vacant land suitable for residential development.

Importantly for this year 2000 update to the City of Laguna Hills Housing Element, the City indicated in written correspondence to the County of Orange Housing and Community Development Department (dated April 26, 1999) that the City supported the County of Orange application of 1999 Continuum of Care Homeless Assistance funds to the United States Department of Housing and Urban Development and confirmed that the City wished to participate in that Continuum of Care system. The City further acknowledged that "combating the problems of homelessness requires a regional plan."

Goals and policies contained in this Housing Plan address the City of Laguna Hills' anticipated housing needs during the tenure of this Housing Element (2000 - 2004) and are implemented by a series of Housing Policies and Programs. These Policies and Programs prescribe specific actions the City will take during the tenure of this Housing Element. The Year 2000 Housing Plan contains an annotated description of future actions for each Housing Program objective, the Program funding source, responsible agency, and time frame for implementation.

STATE ISSUES AND POLICIES

In 1980, the State of California amended the Government Code by adding Article 10.6 pertaining to Housing Elements. The State legislature found that

"the availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every California family is a priority of the highest order. The early attainment of this goal requires the cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians of all economic levels . . . Local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community . . ."

In 1995, the State of California Consolidated Plan included a five-year housing strategy focused to utilization of federal resources for housing needs in the State. Three broad objectives were identified for use of federal funds: meeting low income renters' needs; meeting low income homeowners' needs; and, meeting needs of homeless persons and households requiring supportive services. Three strategies were identified: development of new housing; preservation of existing housing and neighborhoods; and reduction of housing costs.

In 1999, the State issued its California Statewide Housing Plan Update. Key issues ascertained in the Housing Plan included the following.

- Higher levels of housing construction were necessary to adequately house the State population.
- Housing cost burdens are increasingly an issue for owners and renters. The combination of upward price pressure in housing markets and tight urban housing markets has led to increasing cost burdens, particularly for low income renter residents.
- Overcrowding has increased dramatically in some areas of the State.
- A substantial portion of affordable rental housing developments Statewide are at risk of conversion to market rate use. (The California Housing Partnership Corporation indicated that approximately 9% (27,210 apartments) of the Housing and Urban Development-assisted apartment inventory in California has a "medium" or "high" risk of conversion to market rate inventory.)
- Many temporary agricultural workers migrate throughout the State and face housing challenges that impact their welfare.
- Homeless individuals and households face significant difficulties in obtaining shelter and reintegrating themselves into the broader society.

REGIONAL HOUSING POLICIES

The Southern California Association of Governments (SCAG) is responsible for development of regional housing policies for the six-county Southern California region. Two policy documents prepared by SCAG are key to the regional program. The Regional Housing Needs Assessment (RHNA) provides an analysis of area-wide needs and a "fair share" distribution mechanism to assign responsibility for meeting housing needs for all economic segments of the community. The Regional Comprehensive Plan and Guide (RCPG) is designed as a guide local governments can use "... in addressing regional issues; fulfilling local goals and objectives and satisfying state and federal requirements." The RCPG consists of many components, including growth management, regional mobility, and housing. Although the Housing chapter does not contain legal mandates, that chapter does include a list of goals substantiated with a set of strategies and recommendations for local policy formation as follows.

- Provision of decent and affordable housing choices for all people (housing choices relative to incomes in the local work force; affordable housing needs; homeownership for young and minority households).
- Provision of an adequate supply and availability of housing (reducing major components of new housing cost; financing and need for funding; density as a lower cost housing option).
- Maintenance and preservation of housing stock.
- Promotion of a mix of housing opportunities regionally (social equity; equal housing opportunity).

Additionally, the RCPG included a chapter about growth management that encouraged localities to achieve balance between jobs and housing prices, reduce costs of infrastructure on new development, plan for transit oriented development, mixed use development, infill and redevelopment, bicycle/pedestrian development and a range of urban densities.

ORANGE COUNTY HOUSING POLICIES

Orange County updated and adopted its Housing Element in 1993. This Element contained an analysis of County housing needs, a comprehensive problem solving strategy, and a course of action. Policies and program objectives were developed to implement four housing goals relating to the following: housing supply and residential choice; equal housing opportunity; housing conservation and neighborhood preservation; and, housing cooperation and coordination. Although the primary

focus of the Element was on unincorporated areas under County jurisdiction, the Element considered many similar issues that impact Laguna Hills and provided an additional reference point for development of a community-based housing program.

The 2000 "County of Orange Consolidated Plan" identifies "high" priority needs populations for the period 2000 – 2005 to be as follows: all renter subgroups with a housing cost burden greater than 30%; all renter subgroups with a housing cost burden greater than 50%; owners with homes with physical defects (in need of rehabilitation); and, owners living in overcrowded conditions.

The "Consolidated Plan," indicated approximately 34,127 rental units (10% of all rental units) in Orange County had some physical defects and identified the following as "medium" priority needs: small and large family household renters and elderly residing in units in need of rehabilitation; small family extremely low income households with overcrowded conditions; and, large family rental households residing in units that are overcrowded.

The "Consolidated Plan" identified the following as "low" priority needs: small family household renters with low and moderate incomes in units that are overcrowded; elderly renters residing in units that are overcrowded; and, owners with a cost burden of greater than 30% and greater than 50%.

Orange County is among those counties in California that have experienced high losses of affordable units. As of December, 1999, Orange County had lost 1,294 affordable units from Section 8 and other programs. Additionally, the California Housing Partnership Corporation in December, 1999 indicated Orange County trailed only Los Angeles, San Francisco, and Santa Clara counties in highest number of units (2,182) with a "high" or "medium" risk for loss of Section 8 affordability. A total 4,580 Section 8 units in Orange County faced/will face affordability expirations as follows: 1999 (1,214 units); 2000 (516 units); 2001 (543 units); 2002 – 2006 (1,411 units); 2007 – 2111 (596 units); 2012 and after (310 units).

EVALUATION OF EXISTING CITY OF LAGUNA HILLS HOUSING IMPROVEMENT PROGRAM

Following is a Table containing an assessment of the success of implementation of that Program.

HOUSING PROGRAM (STRATEGY) SUMMARY

Recognize the need for Housing

B.1. Continually monitor local and County housing statistics for changes that could affect the effectiveness of General Plan Housing Element Programs and revised Programs as appropriate.

B.1.a In order to provide detailed information on which to base future housing needs analysis, compile and maintain up-to-date population and housing statistics for the entire General Plan study area as part of the General Plan Annual Review.

Assessment of success in implementation of B.1 and B.1.a

The City provides information on housing construction to the Center for Demographic Research at California State University, Fullerton and to the California State Department of Finance. The data are utilized by those entities to update population and housing statistics for the City.

Laguna Hills' Role in the Provision of Housing

B.2.a. Ensure that existing owners and prospective developers are aware of potential affordable housing development opportunities available within the Laguna Hills Village.

Assessment of success in implementation of B.2.a:

The City of Laguna Hills is presently preparing an "Urban Village Specific Plan" for the Laguna Hills Village area, and has, in that process, informed and encouraged major property owners in the area to incorporate housing options in any development plans that they may have for their properties.

Provision of Adequate Sites for Housing

B.3. Provide adequate sites to meet Laguna Hills' share of regional housing needs by accommodating a minimum of 12 housing units from 1994 through 1996, including an adequate number and range of housing types that are affordable to very low, low, moderate, and above moderate income households as described in Table II-I implementing the following strategies.

B.3.a. Ensure that the General Plan and City ordinances facilitate development of a mix of housing types consistent with the above strategy, including single family detached, mobile home, and multiple family housing within a variety of price ranges.

Assessment of success in implementation of B.3.a:

The City of Laguna Hills had very few vacant parcels of land available for residential development. Many of those vacant parcels represented separately improved single-family parcels within established neighborhoods. Few additional parcels existed within medium and high density multiple family developments. This lack of suitable land provided the City few opportunities to construct new affordable housing to meet the City goal of providing housing opportunities for all economic and social segments of its

HOUSING PROGRAM (STRATEGY) SUMMARY

population and to meet the City share of regional housing needs, particularly for very low, or low income households. Mobile home and single-family residential opportunities were made available by the private sector, but were not specifically targeted to provide for very low, low, or special needs populations.

B.3.b. Promote infill housing development within areas presently approved for residential development.

Assessment of success in implementation of B.3.b:

The City of Laguna Hills was successful at promoting infill housing development at market rates within areas approved for single-family residential development. Since 1994, sixteen building permits have been issued on infill sites within the City of Laguna Hills.

B.3.c. Investigate the opportunities for annexing land that is appropriate for the development of new housing and/or intensification and recycling of existing residential uses.

Assessment of success in implementation of B.3.c:

In 1996, the City of Laguna Hills annexed its northerly sphere of influence. In October, 2000, the City of Laguna Hills annexed a second parcel westerly of the City boundary previously within the community of Aliso Viejo. The northerly annexation contained no vacant parcels suitable for residential development; no changes of zone have occurred to convert land uses to those which would facilitate provision of housing affordable to low income or special needs populations. The westerly annexation area was completely built out prior to annexation.

B.3.d. Ensure that new development is appropriately located with respect to public and private services and facilities.

Assessment of success in implementation of B.3.d:

New development within the City of Laguna Hills during the tenure of the existing Housing Element was in fill development and, as such, was located appropriately with respect to public and private services and facilities.

B.3.e. Promote efforts to remove governmental constraints to the provision of affordable housing to the extent that is reasonable while protecting the area's natural environment and the public's health, safety, and welfare.

Assessment of success in implementation of B.3.e:

In accordance with California State law, upon incorporation the city of Laguna Hills adopted the County system of discretionary applications, processes and procedures. Due to the numerous specific plans (each having its own development standards), the City Planning Department deemed it necessary to compose one comprehensive set of standards to guide zoning regulations. The City eliminated some discretionary permit requirements and refined other such requirements. These changes ensured a more simple and streamlined discretionary process than had existed upon

HOUSING PROGRAM (STRATEGY) SUMMARY

incorporation. Additionally, in 1995 the City adopted a revised comprehensive set of zoning regulations that established zoning districts consistent with its General Plan and necessary to implement its General Plan. The Residential zoning category contains five separate zoning districts that established a master list of permitted and prohibited uses. Furthermore, the Laguna Hills Zoning Code was revised to facilitate affordable and non-affordable housing opportunities. Accessory living quarters/second unit housing are conditional uses in all Residential districts. A boarding house is a conditional use within Residential, Commercial, and Mixed-Use districts. Various types of residential uses are permitted within Residential, Mixed-Use, or Community/Private Institution districts. Guest quarters or guest homes are permitted accessory uses in all Residential districts except the High Density district. Mobile homes are permitted conditionally within all Residential districts and the Mixed-Use district. A single room occupancy housing facility is a use having special requirements within the Office/Professional, Village Commercial, Freeway Commercial, Community Commercial, and Mixed-Use zoning districts. Additionally, a condominium Conversion Use Permit was instituted. Also, the comprehensive revision to the City Zoning Code contained Housing Development Incentives as a means to implement General Plan housing objectives. Among those incentives were the following: density bonuses for housing development; density bonuses for condominium conversions; provision of opportunities to develop housing within non-residential districts; and, fiscal and procedural incentives. Furthermore, the comprehensive revision to the City Zoning Code provided for a streamlined review and approval process for development within the City, and eliminated the need to research a variety of planned community regulations containing different and distinct standards for residential development.

- B. 3.f Promote use of available Community Development Department budget housing assistance programs.

Assessment of success in implementation of B.3.f:

The City of Laguna Hills participates in the Orange County Urban County Community Development Block Grant Program. The County of Orange administers the following components of this Program for participant cities (those with fewer than 50,000 population): Community Development Block Grant Program (CDBG); Home Investment Partnership Program (HOME); Emergency Shelter Grants Program (ESG); Housing Opportunities for Persons With AIDS Program (HOPWA); and, Mortgage Credit Certificate Program (MCC). The City of Laguna Hills also is a member of the Orange County Housing Authority, which is an agency that provides Federal Housing and Urban Development Section 8 Rental Housing to low income families. The Housing Authority indicated in January, 1999 it was providing ninety (90) Section 8 Rental Certificates and Vouchers to residents of Laguna Hills. By January, 2000, there were sixty-six (66) Section 8 recipients in Laguna Hills. The City of Laguna Hills has received Community Development Block Grant funds three times since fiscal year 1996 – 1997. In 1996 – 1997, Laguna Hills requested \$190,500 to provide sidewalk and curb cut repairs, upgrades of pathways to parks and retro-fitted tot lots in compliance with American With Disabilities Act requirements at various locations throughout the City. The City received \$70,000 from this application although the United States Department of Housing and Urban Development determined this request would not help prevent homelessness, would not assist the homeless, and would not help those living with HIV/AIDS. The City of Laguna Hills demonstrated how requested funds would benefit low and moderate income (limited) clientele by assuring fair access to all. In compliance with federal regulations, disabled and senior citizens were considered to have “presumptive benefit” for American With Disabilities Act improvements. No area of benefit needed to be demonstrated because the proposed improvements would be City wide and would benefit a qualified clientele. Another application (for \$140,000) was made (but denied) for assistance with construction of a community center. During fiscal year 1997 – 1998, the City of Laguna Hills made two applications, and received two grants,

HOUSING PROGRAM (STRATEGY) SUMMARY

for Community Development Block Grant funding. One application was made for \$50,000 to continue constructing improvements to sidewalks, curb cuts, repairs, pathways to park facilities, and retro-fitted tot lots at various locations throughout the City. A second application was made for \$20,000 to use Community Development Block Grant funds to revise National Flood Insurance Program/FEMA Flood Insurance Rate Maps to evaluate possible map inaccuracies for the Casa de Laguna and Aliso Meadows residential developments, which included low income and moderate income neighborhoods. Monies requested and received would provide relief for homeowners from burdens of purchasing required flood insurances. Approximately fifty (50) residential units were removed from flood hazard zones. The City of Laguna Hills also has been, since 1998, a participant city in the County of Orange Mortgage Credit Certificate (MCC) Program, which enables low and moderate income first time home buyers to receive a Mortgage Credit Certificate during escrow that will increase the loan amount for which they qualify and increase the home buyer net income.

- B.3.g. Monitor the effectiveness of housing programs and the City's progress toward meeting the objectives of the Housing Program.

Assessment of success in implementation of B.3.g:

The City of Laguna Hills did not institute an annual process that monitored effectiveness of housing programs or progress toward meeting objectives of the Housing Program due to insufficient staff resources.

Assisted Housing

- B.4. Retain at no less than present levels the number of assisted housing units of all types, and expand affordable housing opportunities for very low, low, and moderate income households by implementing the following strategies.

- B.4.a Regulate the conversion of existing rental apartment housing and mobile home parks to condominium or cooperative housing to prevent a decline in the supply of rental housing. Place particular emphasis on minimizing hardships created by the displacement of very low, low, and moderate income households

Assessment of success in implementation of B.4.a:

The City of Laguna Hills Zoning Code allows a "Condominium Conversion Use Permit." This requires a use permit and condominium conversion program for conversion of existing residential units to condominiums. The conversion program must provide details about how affordable housing will be achieved, must analyze the balance of housing vacancy rates in the City, and must include a relocation plan.

- B.4.b. Regulate the conversion of existing mobile home parks to nonresidential uses in order to maintain a valuable source of affordable housings.

HOUSING PROGRAM (STRATEGY) SUMMARY

Assessment of success in implementation of B.4.b:

No application to convert the existing mobile home park on Ridge Route Drive in the City of Laguna Hills to non-residential use(s) has been filed since the annexation of that area to the City.

Maintenance of Existing Sound Housing

B.5.a Improve the liveability of existing residential neighborhoods, encourage continued maintenance of currently sound housing, and prevent deterioration through local information and assistance programs and by insuring that an adequate level of public facilities are available.

Assessment of success in implementation of B.5.a:

Please refer to "Assessment" for Items B.3.d and B.3.f.

Housing for Special Needs Groups

B.6. Promote provision of housing for the elderly, disabled, large families, homeless, and other special needs groups by implementing the following strategies.

B.6.a. Promote the development and rehabilitation of housing specifically designed for the elderly.

Assessment of success in implementation of B.6.a:

The City of Laguna Hills has not made special funding available for senior housing due to the lack of land available for the construction of housing. Instead, the City has chosen to assist in provision of services to senior citizens. The City reduced application fees for the Florence Sylvester Memorial Senior Center in Laguna Hills. This Center is administered and managed by South County senior Services and daily serves 400-500 patrons, approximately 15 percent of whom live in the City of Laguna Hills. Additionally, the City of Laguna Hills contributes approximately \$2,500 annually to Saddleback Community Outreach, a non-profit organization that has as its primary objective to provide programs and services to help those assisted (5,200 annually) become self supportive. Saddleback Outreach intends to use this and other municipal and Community Development Block Grant funding to purchase two or more residences in the City of Laguna Hills to use as transitional housing for the homeless. It should be noted the Home Sharing Program administered by the Orange County Housing Authority was discontinued in 2000.

B.6.b. Assist in the provision of adequate shelter opportunities and assistance programs for those families and individuals who are homeless or are at risk of becoming homeless.

Assessment of success in implementation of B.6.b:

The City of Laguna Hills is a member City of the Orange County Continuum of Care, a housing and service delivery system that responds to the needs of the region's homeless. The Continuum of Care was established by the County of Orange through a community-based process to ensure the region's residents and homeless are empowered to affect changes in the existing social services system. The Orange County Community Forum, Orange County Leadership Cabinet, and Orange County Department of Housing and Community Development share responsibility for planning and implementing the regional Continuum of Care.

B.6.c. Promote the development and rehabilitation of housing specifically designed for the physically disabled.

Assessment of success in implementation of B.6.c.:

HOUSING PROGRAM (STRATEGY) SUMMARY

The City of Laguna Hills did not directly fund development and/or rehabilitation of housing specifically designed for physically disabled persons. The City had success in obtaining Community Development Block Grant funds to allow improvements to be made to bring City facilities into compliance with the Americans With Disabilities Act, as noted in the "Assessment" of B.3.f.

Prevention of Housing Discrimination

B.7. Prevent discrimination in housing based on race, ethnicity, national origin, age, religion, sex, and family status (children) in accordance with national and State fair housing laws by implementing the following strategies.

B.7.a. Refer housing discrimination complaints to appropriate fair housing agencies for action. Following referrals, follow up on the case to ensure that an appropriate investigation and action was undertaken

Assessment of success in implementation of B.7.a:

The City of Laguna Hills has referred all complaints to the County of Orange.

HOUSING IMPROVEMENT PROGRAM

YEAR 2000 HOUSING PLAN

QUANTIFIED OBJECTIVES

Following is a matrix indicating the maximum number of housing units in the City of Laguna Hills that can be constructed, rehabilitated, and conserved over the term of this Year 2000 Housing Element.

INCOME GROUP	NEW CONSTRUCTION	REHABILITATION	CONSERVATION
Very Low Income	0	No Need	15
Low Income	0	No Need	15
Moderate Income	0	No Need	72
Above Moderate	0	No Need	0
TOTAL	0	No Need	102

LAGUNA HILLS HOUSING ELEMENT: GOALS AND POLICIES

The City of Laguna Hills goal is to ensure all existing and future housing opportunities are open and available to all social and economic segments of Laguna Hills without discrimination on the basis of color, race, ethnicity, religious preference, gender, national origin or ancestry, marital status, age, household composition or size, sexual preference, challenge (disability), or other arbitrary factor. Goals for achieving this overall housing intention include the following: recognizing the need for housing; defining the City of Laguna Hills' role in provision of housing; providing adequate Sites for assisted housing; maintenance of existing sound housing; providing housing for Special Needs Groups; and, preventing housing discrimination. Specific Policies of the Year 2000 City of Laguna Hills Housing Plan are as follows.

Goal B.1 It is a goal of the City of Laguna Hills to recognize the need for housing within the City.

Policy B.1.1 To initiate all reasonable efforts to preserve, maintain, and improve availability and quality of existing housing and residential neighborhoods, and to ensure full utilization of existing City housing resources for as long into the future as physically and economically feasible.

Housing Program B.1.1.1 – The City of Laguna Hills will enforce Building Code regulations and abate Code violations and nuisances. Enforcement activities will focus on property maintenance, such as eliminating derelict or abandoned vehicles, outdoor storage, or other situations that may constitute health, safety, or fire hazards. This Program includes an ongoing component to evaluate effectiveness of existing regulations, to resolve issues and to study the need for new regulations to assure proper protection of existing housing resources. This Program will be funded by City Department/Division budgets and will be the responsibility of the Community Development Department and the City Attorney. This Program will extend throughout the term of this Housing Element. It is anticipated that this Program will result in improved quality and prevention of deterioration of existing residential neighborhoods.

Housing Program B.1.1.2 – The City of Laguna Hills will update standards and/or guidelines for new development with emphasis on site (including minimum site security lighting) and building design to minimize vulnerability to criminal activity. This Program will be

the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Housing Program B.1.1.3 – The City of Laguna Hills shall institute a program of abatement of existing uses, activities, buildings, or structures that pose a threat to public health, safety, or welfare. Existing residential uses will be protected from disruptive, incompatible, or illegal uses and/or buildings. This Program will be funded by Department/Division budgets provided by the General Fund and Community Development Block Grant Funds (anticipated). Responsibility for realization of this Program is that of the Planning Department, Building Department, City Attorney, and Planning Agency. This Program will extend throughout the term of this Housing Element.

Housing Program B.1.1.4 – The City of Laguna Hills shall work with the California State Franchise Tax Board to enforce provisions of California Revenue and Taxation Code Sections 17299 and 24436.5, which prohibit owners of substandard rental housing from claiming depreciation, amortization, mortgage interest, and property tax deductions of State income tax. At present, the City has no substandard rental housing. However, through its on-going Code Enforcement Program the City will notify the State Franchise Tax Board if sub-standard housing is identified. This Program is the responsibility of the Community Development (Code Enforcement) Department. This Program will extend throughout the term of this Housing Element.

Housing Program B.1.1.5 – The City of Laguna Hills shall institute, with assistance of County of Orange Housing Authority and Housing and Community Development Division, a rehabilitation loan and grant program for low and moderate income homeowners and rental property landlords to encourage full utilization of existing City housing stock so long as funds are available. This rehabilitation loan and grant program will use Community Development Block Grant funds distributed by the City/County as appropriate. The City of Laguna Hills will publicize the availability of this program in local newspapers and as informational items at Planning Agency Public Hearings. This Program is the responsibility of the Community Development (Planning, Building, and Code Enforcement) Department. This Program will extend throughout the term of this Housing Element.

Policy B.1.2 To monitor closely County of Orange and City of Laguna Hills housing statistics for changes that could alter effectiveness of housing programs.

Housing Program B.1.2.1 – The City of Laguna Hills shall monitor development proposals in the City that could be used to maintain, increase, or enhance affordable housing opportunities. Affordable housing opportunities in the Urban Village area will be marketed and monitored at Planning Agency Public Hearings and project pre-application meetings. This Program will extend throughout the term of this Housing Element.

Housing Program B.1.2.2 – The City of Laguna Hills shall compile annually a Development Summary Report identifying location, size, type, and status of residential development proposals submitted to the City. It is intended this Report will maintain current information concerning housing production by tracking projects from submittal through recordation of subdivision maps and issuance of building and occupancy permits. This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Housing Program B.1.2.3 – As part of the annual General Plan Review, and in addition to the reporting specified in this Housing Plan, the City of Laguna Hills shall provide information on the status of all housing programs within the City of Laguna Hills. The portion of the Annual Report discussing Housing Programs is to be distributed to the California Department of Housing and Community Development in accordance with State law. This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Housing Program B.1.2.4 – As part of the General Plan annual review, the City of Laguna Hills shall monitor existing programs designed to preserve assisted housing developments for low income households as required by Government Code Section 65583(d) to determine whether additional actions are required to protect these developments. This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Housing Program B.1.2.5 – Based on provisions of Government Code Section 65863.7, the City of Laguna Hills shall require submission of a report detailing impacts of any proposed mobile home park conversion to a non-residential use concurrently with filing of any discretionary permit on such property. This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Goal B.2 **To define the City of Laguna Hills' role in provision of housing.**

Policy B.2.1 To encourage provision of housing affordable to lower and moderate income households to the extent required by law.

Housing Program B.2.1.1 – The City of Laguna Hills shall attempt to ensure existing owners and prospective developers are aware of affordable housing development opportunities available within the Laguna Hills Urban Village area. City staff will inform prospective developers at time of project pre-application meeting(s). This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Housing Program B.2.1.2 – The City of Laguna Hills shall provide detailed demographic and housing information that will serve as the basis for assessing future housing needs. This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Policy B.2.2 To increase affordable housing opportunities in a local context for low and moderate income households.

Housing Program B.2.2.1 – The City of Laguna Hills shall apply for United States Department of Urban Development Community Development Block Grant funds and allocate a portion of such funds to sub-recipients who provide shelter for the homeless.

Housing Program B.2.2.2 – As a condition of receiving housing funding through the City, the City of Laguna Hills shall require social service agencies receiving such funds record information on clients they serve and provide an annual audit of their activities. This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Goal B.3 To provide adequate sites for Assisted Housing

Policy B.3.1 To provide a candidate location for affordable housing for special needs groups on a site within the Urban Village area.

Housing Program B.3.1.1 – The City of Laguna Hills shall include land use and zoning designations, development standards, and appropriate narrative in the Urban Village Specific Plan that ensure consideration of a portion or all of this site for affordable housing. The City will incorporate within the Urban Village Specific Plan a provision for mixed commercial/residential developments in compliance with the existing Laguna Hills Zoning Code. This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Policy B.3.2 To expand and extend affordability of the Rancho Niguel and Rancho Moulton apartment developments beyond year 2002.

Housing Program B.3.2.1 – The City of Laguna Hills shall investigate the feasibility for constructing as many as eight (8) new one- or two-bedroom units on the Rancho Niguel and Rancho Moulton sites and inquire into the possibility of obtaining Community Development Block Grant funding for such construction. Although the City of Laguna Hills has no affordable housing construction need assignment, the City will attempt to encourage the owner of the Rancho Niguel and Rancho Moulton projects to provide said additional units by relaxing specific development standards related to structural setbacks and minimum distances between buildings to facilitate construction of said units. The new units should be targeted equally for very-low income (4 units) and low-income (4 units) families who may qualify for Section 8 assistance. This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Housing Program B.3.2.2 – City of Laguna Hills staff will contact owners of affordable units to obtain information regarding their plans for continuing affordability on their properties. This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Policy B.3.3 To mitigate potential governmental constraints to housing production and affordability by increasing City role in facilitating construction of affordable housing.

Housing Program B.3.3.1 – The City of Laguna Hills shall coordinate local housing efforts with appropriate Federal, State, regional and local governments and/or agencies and cooperate in implementation of intergovernmental housing programs to ensure maximum effectiveness in solving local and regional housing problems. Replacement of affordable housing in Laguna Hills is not feasible due to the absence of developable land. The City will submit Community Development Block Grant Fund applications to assist in preserving existing affordable units. This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Housing Program B.3.3.2 – The City of Laguna Hills shall cooperate with the Orange County Housing Authority according to provisions of the Urban Counties Program to pursue establishment of a Senior/Disabled or Limited Income Repair Loan and Grant

program to underwrite all or part of the cost of necessary housing modifications and repairs. Loans would be repaid or forgiven on an ability to pay basis. Health and safety deficiencies would receive priority. Modifications for accessibility also would be appropriate. Administration of funds would be the responsibility of the Orange County Housing Authority. This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Policy B.3.4 To address a regional solution to the regional issues of providing affordable housing for low and moderate income populations and the homeless.

Housing Program B.3.4.1 – The City of Laguna Hills will encourage rehabilitation and reuse of military housing at the former MCAS El Toro for housing opportunities for low and moderate income individuals and families. This Program is the responsibility of the Planning Agency and the City Council. This Program will extend throughout the term of this Housing Element.

Housing Program B.3.4.2 – In recognition that the number of homeless individuals has increased in Orange County by over 50% since 1990 and that homelessness is a regional problem, the City of Laguna Hills shall increase its role in the Orange County Continuum of Care housing and service delivery system. The City shall pursue securing Years 2000 – 2004 Continuum of Care Homeless Assistance grant funds from the Department of housing and Urban Development which will be used to assess and realize provision of housing affordable to low and moderate income special needs populations in that unincorporated area northerly of Irvine Boulevard, immediately adjacent to the El Toro Marine Corp Air Station, designated within the City of Irvine sphere of influence for residential use. The Orange County Continuum of Care system has been designed to facilitate movement of homeless persons and families between and among components of the system by constructing links between its various Assessment groups and organization components. Those Components are as follows: the Prevention Component; the Outreach/Assessment Component; the Emergency Shelter Component; the Transitional Component; the Permanent Housing Component; the Permanent Supportive Housing Component, and the Supportive Services Component. This effort to organize and coordinate a regional approach to a regional problem will require policy and funding participation of cities in south Orange County. This Program is the responsibility of the Community Development (Planning) Department and the City Council. This Program will extend throughout the term of this Housing Element.

Housing Program B.3.4.3 – The City of Laguna Hills shall encourage formulation of an additional Orange County Continuum of Care Assessment Group having the specific goal of ensuring existing housing opportunities formerly associated with officer, enlisted, and non-military personnel on and adjacent to the El Toro Marine Corps Air Station be used as emergency and/or transitional housing for regional homeless and other special needs populations. This Assessment Group shall work closely with the Emergency Continuum of Care Shelter Assessment Group and Transitional Shelter Assessment Group exclusively for the purpose of creating a coalition of south Orange County cities and service providers to expedite provision of said affordable housing opportunities at the El Toro Marine Corps Air Station. This Program is the responsibility of the Community Development (Planning) Department and the City Council.

Goal B.4 To maintain existing sound housing

Policy B.4.1 To maintain and preserve City housing stock and improve energy efficiency of qualified homes, and to maintain and preserve City single-family, condominium, and apartment housing stock.

Housing Program B.4.1.1 – The City of Laguna Hills shall apply for federal funds to provide technical and financial assistance to all eligible homeowners and residential property owners to rehabilitate existing dwelling units through low interest loans or potential loans, or grants to owner-occupants of residential properties containing households that exceed income guidelines to rehabilitate existing residential dwelling units. This Program will be funded by Community Development Block Grant funds, HOME funds, and private bank loan commitment (leverage). Responsibility for realization of this Program is that of the Planning Department. This Program will extend throughout the term of this Housing Element.

Housing Program B.4.1.2 – The City of Laguna Hills shall encourage maintenance and preservation of City mobile home housing stock by applying for financial assistance for eligible owner-occupants to rehabilitate existing dwelling units through deferred payment low-interest loans. A Mobile Home Park Conversion Permit should be obtained as a prerequisite to conversion of an existing mobile home park or manufactured housing park. Conditions shall include a provision for reasonable relocation assistance when the park is converted to a non-residential use. This Program will be funded by Community Development Block Grant funds. Responsibility for realization of this Program is that of the Planning Department. This Program will extend throughout the term of this Housing Element.

Housing Program B.4.1.3 – City of Laguna Hills staff shall conduct an annual review of federally assisted units using the “Risk of Assessment” report prepared by the California Partnership Corporation (CHPC). Projects designated “high” risk are those most likely to decline continued federal assistance because they currently have rents below market rate(s) and are owned by profit-motivated entities. This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Goal B.5 To provide housing for special needs groups.

Policy B.5.1 To coordinate with the County of Orange to seek from the United States Department of Urban Development emergency shelter grants for homeless and others in emergency situations in areas of the region where most needed

Housing Program B.5.1.1 – The City of Laguna Hills should develop partnerships with mainstream and/or special needs affordable housing developers that could result in set-asides in existing and planned low-income housing projects and provide a range of housing options. These partnerships may include incentives (such as expedited processing, fee waivers, and density bonuses) provided by the City to facilitate the set-asides for planned low-income units and actively cooperating with the owners of existing units to secure appropriate Federal funding necessary to maintain existing affordability. This Program will extend throughout the term of this Housing Element.

Policy B.5.2 The City of Laguna Hills should collaborate with providers of special needs population services to develop affordable housing opportunities.

Housing Program B.5.2.1 - City staff shall prepare written communication for tenants and other interested parties about Section 8 renewals to assist tenants and prospective tenants to acquire additional understanding of housing law and related policy issues. This

Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Housing Program B.5.2.2 – The City of Laguna Hills shall work with the Orange County Housing Authority through provisions of the Consolidated Plan – Fiscal Years 2000 – 2004 to pursue establishment of a Senior/ Challenged (Disabled) or Limited Income Repair Loan and Grant program to underwrite all or part of the cost of needed housing modifications and repairs. Loans would be repaid or forgiven on an “ability to pay” basis. Health and safety deficiencies would receive priority; modification for accessibility might be appropriate. Administration of funds would be the responsibility of the Orange County Housing Authority. This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Housing Program B.5.2.3 – The City of Laguna Hills should participate in the Orange County Consolidated Plan programs and in the Orange County Continuum of Care local housing planning process to facilitate obtaining funds for affordable housing and related social services for special needs populations. The City will assist public and private non-profit housing developers in preparation of funding applications for special needs populations. This Program is the responsibility of the Community Development (Planning) Department. This Program extend throughout the term of this Housing Element.

Policy B.5.3 To increase affordable housing opportunities within Laguna Hills for the regional special needs population of people living with HIV/AIDS.

Housing Program B.5.3.1 – The City of Laguna Hills should investigate State Housing Opportunities for Persons With AIDS (HOPWA). This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Policy B.5.4 To use special development considerations for senior citizen and other special needs affordable housing.

Housing Program B.5.4.1 – The City of Laguna Hills shall investigate design opportunities for development of a residential project(s) that, through vertical or horizontal integration, provide for development of compatible residential, commercial, professional, or public uses within the Urban Village neighborhood. This Program is the responsibility of the Community Development (Planning) Department. This Program will extend throughout the term of this Housing Element.

Goal B.6.0 To prevent housing discrimination.

Policy B.6.1 The City of Laguna Hills shall support the intent and spirit of equal housing opportunities as expressed in the Civil Rights Act of 1886, Title VII of the 1968 Civil Rights Act, California Rumford Fair Housing Act, and the California Unruh Civil Rights Act.

Housing Program B.6.1.1 – The City of Laguna Hills shall maintain an office for receiving and referring fair housing complaints within the City and for distributing information about fair housing laws, rights and remedies to City residents. The City also shall provide a pamphlet at the City Development Processing Counter that contains information about fair housing laws, resident rights and remedies for fair housing complaints. This Program is the responsibility of the Community Development

(Planning) Department. (It should be noted that no such complaints were filed during the 8 months previous to composition of this Year 2000 Housing Element update). This Program will extend throughout the term of this Housing Element.

Public and Private Resources Available for Housing and Community Development Activities

Programs Name	Description	Eligible Activities
1a. Federal Programs – Formula/Entitlement		
Community Development Block Grant	Grants awarded to the City by the County of Orange on a formula basis for housing and community development activities.	◆ Acquisition ◆ Rehabilitation ◆ Home Buyer Assistance ◆ Economic Development ◆ Homeless Assistance ◆ Public Services
1b. Federal Programs - Competitive		
Section 8 Rental Assistance Program	Rental assistance payments to owners of private market rate units on behalf of very low income tenants	◆ Rental Assistance
HOME	Flexible grant program awarded to the Orange County HOME Consortium on a formula basis for housing activities. City can apply to County on a competitive basis for affordable housing projects	◆ Acquisition ◆ Rehabilitation ◆ Home Buyer Assistance ◆ Rental Assistance
Section 202	Grants to non-profit developers of supportive housing for the elderly.	◆ Acquisition ◆ Rehabilitation ◆ New Construction ◆ Rental Assistance
Section 811	Grants to non-profit developers of supportive housing for persons with disabilities, including group homes, independent living facilities and intermediate care facilities.	◆ Acquisition ◆ Rehabilitation ◆ New Construction ◆ Rental Assistance
Section 108 Loan	Provides loan guarantee CDBG entitlement jurisdictions for pursuing large capital improvement or other projects. The jurisdictions must pledge it to future CDGB allocations for repayment of the loan. Maximum loan amount can be up to five times the entitlement jurisdiction's most recent approval annual allocation. Maximum loan term is 20 years.	◆ Acquisition ◆ Rehabilitation ◆ Home Buyer Assistance ◆ Economic Development ◆ Homeless Assistance ◆ Public services
Mortgage Credit Certificate Program	Income tax credits available to first-time homebuyers for the purchase of new or existing single-family housing. Local agencies (County) make certificates available.	◆ Home Buyer Assistance
Low Income Housing Tax Credit (LIHTC)	Tax credits are available to individuals and corporations that invest in low income rental housing. Usually, the tax credits are sold to corporations with a high tax liability and the proceeds from the sale are used to create the housing	◆ New Construction ◆ Rehabilitation ◆ Acquisition

Public and Private Resources Available for Housing and Community Development Activities

Program Name	Description	Eligible Activities
SHELTER PLUS CARE PROGRAM	Grants for rental assistance that are offered with support services to homeless with disabilities. Rental assistance can be: ◆ <u>Section 8 Moderate Rehabilitation (SRO)</u> – project based rental assistance administered by the local fHA with state or local government application ◆ <u>Sponsor-Based Rental Assistance</u> – Provides assistance through an applicant to a private non-profit sponsor owns ins or leases dwelling units in which participating residents reside. ◆ <u>Tenant-Based Rental Assistance (TBA)</u> grants for rental assistance ◆ <u>Project-Based Rental Assistance</u> – grants to provide rental assistance through contracts between grant recipients and owners of buildings.	◆ Rental Assistance ◆ Homeless Assistance
Supportive Housing Program (SHP)	Grants for development of supportive housing and support services to assist homeless persons in the transition from homelessness.	◆ Transitional Housing ◆ Permanent Housing for Disabled ◆ Supportive Services ◆ Safe Havens
2. State Programs		
Proposition 1 A	Proposition 1A includes provisions to establish a Down payment Assistance Program and a Rent Assistance Program using school fees collected from affordable housing projects. Potential buyers or tenants of affordable housing projects are eligible to receive down payment assistance or rent subsidies from the State at amounts equivalent to the school fees paid by the affordable housing developer for the project in question.	◆ Down payment Assistance ◆ Rental Assistance
Emergency Shelter Program	Grants awarded to non-profit organizations for shelter support services.	◆ Support Services
California Housing Finance Agency (CHFA) Multiple /Rental Housing Programs	Below market rate financing offered to builders and developers of multiple-family and elderly rental housing. Tax exempt bonds provide below-market mortgage money.	◆ New Construction ◆ Rehabilitation ◆ Acquisition of Properties from 20 to 150 units

Public and Private Resources Available for Housing and Community Development Activities

Programs Name	Description	Eligible Activities
California Housing Finance Agency Home Mortgage Purchase Program	CHFA sells tax-exempt bonds to make below market loans to first time homebuyers. Program operates through participating lenders who originate loans for CHFA purchase	♦ Home Buyer Assistance
California Housing Rehabilitation Program-Owner Component (CHRP-O)	Low interest loans for the rehabilitation of substandard homes owned and occupied by lower-income households. City and non profits sponsor housing rehabilitation projects.	♦ Rehabilitation ♦ Repair Code Violations, Accessibility ♦ Additions, General Property Improvement
3. Local Programs		
Redevelopment Housing revenue Bond	20 percent of Agency funds are set aside for affordable housing activities governed by state law.	♦ Acquisition ♦ Rehabilitation ♦ New Construction
Tax Exempt Housing Revenue Bond	The City can support low-income housing developers in obtaining bonds in order to construct affordable housing. The City can issue housing revenue bonds requiring the developer to lease a fixed percentage of the units to low income families and maintain rents at a specified below market rate.	♦ New Construction ♦ Rehabilitation ♦ Acquisition
Tax Exempt Housing Revenue Bonds – Issuance and Annual Administrative Fees.	As part of any housing bond issuance or refinancing, the City can charge an issuance fee and annual administration fees for the bond.	♦ Affordable Housing Programs
4. Private Resource/Financing Programs		
Federal national Mortgage Association (Fannie Mae)	Loan applicants apply to participating lenders for the following programs: ♦ Fixed rate mortgages issued by private mortgage insurers. ♦ Mortgages which fund the purchase and rehabilitation of a home.	♦ Home Buyer Assistance
Savings Association Mortgage Company Inc. (SAMCO)	Pooling process to fund loans for affordable ownership and rental housing projects. Non-profit and for profit developers contact member institutions.	♦ New Construction of single family and multiple family rentals, cooperatives, self help housing, homeless shelters, and group homes for the disabled.

Public and Private Resources Available for Housing and Community Development Activities

Programs Name	Description	Eligible Activities
California Community Reinvestment Corporation (CCRC)	Non-profit mortgage banking consortium designed to provide long term debt financing for affordable multi-family rental housing. Non-profit and for profit developer contact member banks	◆ New Construction ◆ Rehabilitation ◆ Acquisition
Federal Home Loan Bank Affordable Housing Program	Direct Subsidies to non-profit and for-profit developers and public agencies for affordable low income ownership and rental projects.	◆ New Construction
Freddie Mac	Home Works – Provide 1st and 2nd mortgages that include rehabilitation loan. City provides gap financing for rehabilitation component. Households earning up to 80% MFI qualify.	◆ Home Buyer Assistance combined with Rehabilitation
Lease Purchase Program	The City could participate in a Joint Powers Authority that issues tax-exempt bonds. Bonds enable City to purchase homes for households earning up to 140% MFI. JPA pays 3 % down and payments equivalent to mortgage payments with the option to buy after three years.	◆ Home Buyer Assistance

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DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Division of Housing Policy Development

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BY.....

September 11, 2001

Mr. Vern Jones, Community Development Director
City of Laguna Hills
25201 Paseo de Alicia, Suite 150
Laguna Hills, California 92653

RE: Review of the City of Laguna Hills' Draft Housing Element Amendment

Dear Mr. Jones:

Thank you for submitting revisions to Laguna Hills' draft housing element received for our review on July 13, 2001. As you know, we are required to review draft housing elements and report our findings to the locality pursuant to Government Code Section 65585(b). A telephone consultation with you and Mr. Michael Thiele, the City's consultant, on September 10, 2001, facilitated our review. This letter and Appendix summarize the results of that conversation and our review.

The City is to be commended for working toward solutions to address the need for affordable housing. Although the element addresses the majority of the statutory requirements described in our March 13, 2001 review, revisions are still needed to meet the requirements of State housing element law (Article 10.6 of the Government Code). Specifically, the element should strengthen several housing programs and include dates for specific program actions. The Appendix to this letter outlines the revisions needed to bring the draft element into compliance.

Your cooperation and the assistance of Mr. Thiele during the review process is greatly appreciated. We appreciate the efforts of the City to address the requirements of State housing element law and local housing needs. We welcome the opportunity to provide any additional assistance, including a meeting in Laguna Hills to facilitate the City's efforts to revise the element in compliance with State law. If you have any questions, need any additional assistance or would like to schedule a meeting, please contact Margaret Murphy, of our staff, at (916) 445-5888.

As requested, and in accordance with the Public Records Act, a copy of this letter has been forwarded to the individuals and organizations listed below.

Sincerely,

Cathy E. Creswell
Deputy Director

Enclosures

cc: Albert Armijo, Planner, City of Laguna Hills
Michael Thiele, Consultant, Hogle Ireland
Mark Stivers, Senate Committee on Housing & Community Development
Catherine Ysrael, Supervising Deputy Attorney General, AG's Office
Terry Roberts, Governor's Office of Planning and Research
Kimberley Dellinger, California Building Industry Association
Marcia Salkin, California Association of Realtors
Marc Brown, California Rural Legal Assistance Foundation
Rob Weiner, California Coalition for Rural Housing
John Douglas, AICP, The Planning Center
Dara Schur, Western Center on Law and Poverty
Michael G. Colantuono, Attorney at Law
Ralph Kennedy, Orange County Housing Coalition
Crystal Simms, Legal Aid Society of Orange County
Jean Forbath, Orange County Human Relations
Kenneth W. Babcock, Public Law Center
Ellen Winterbottom, Attorney at Law
Jonathan Lehrer-Graiwer, Attorney at Law
David Booher, California Housing Council
Ana Marie Whitaker, California State University Pomona
Karen Warner, Cotton, Bridges & Associates
Christine Diemer, Building Industry Association
Joe Carreras, Southern California Association of Governments
Toni Dwyer, Kennedy Commission
Dara Kovel, Mercy Charities - Housing California
Maya Dunne, St. Joseph Health System

APPENDIX City of Laguna Hills

The following changes would bring Laguna Hills's draft housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code. The particular program examples or data sources provided are suggestions for your information only. We recognize the City may choose other means of complying with the law.

A. Housing Programs

1. *Include a five-year schedule of actions the local government is undertaking to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs (Section 65583(c))*

For a majority of programs, the element states "this program will extend throughout the term of this Housing Element." However, for programs that are new or require specific City action to initiate, the element should include more specific dates for implementation. For example, the following programs should include more specific dates: B1.1.5, B1.2.1, B2.2.1, B2.2.2, B3.2.1, and B3.3.1.

The following programs require expansion, further strengthening and/or clarification:

B2.1.1 -- The element states that the affordable housing opportunities in the Urban Village will be marketed at pre-application meetings and public hearings. However, the City should take a more proactive approach to marketing these housing opportunities. For example, the City could develop and distribute a brochure that describes sites, development standards, and the financial and administrative incentives the City will provide to encourage and facilitate residential mixed-use development in the Village.

B3.1.1 -- Although the revised element describes the proposed and allowed uses in the Urban Village, the element should also describe when a site or sites within the Urban Village will be identified for development of housing for lower-income households and incorporated into the Village Specific Plan. This program should also describe how the City will use newly designated mixed use sites to promote housing opportunities for lower and moderate-income households. For example, what incentives or regulatory incentives will be provided and what densities will be permitted?

B5.1.1 -- The program should include a stronger commitment to implement incentives to waive fees and expedite processing for affordable housing projects.

B5.2.3 -- The program could be expanded to assist nonprofits in the development of applications for all low- and moderate-income projects.

2. *Identify adequate sites which will be made available through appropriate zoning and development standards and with public service and facilities, needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, factory-built housing, mobilehomes, farmworker housing, emergency shelters and transitional housing (Section 65583(c)(1)(A)).*

- a. The revised element does not address the statutory requirement to identify sites or zones where emergency shelters will be allowed by permitted or conditional use as cited in our March 13, 2001 review. Although the City comments in the cover letter to the revised element, "It remains our position that homelessness is a regional problem and therefore defies accurate and meaningful programmatic solutions within a jurisdictional framework," the element must still identify sites and/or zones within the City (beyond the definition of community care facilities serving 12 or fewer persons) where emergency shelters are allowed and describe how the City's permitting policies and procedures facilitate and encourage the development, or conversion of existing facilities, for use as emergency shelters and transitional housing.
- b. For your information, Government Code Sections 65852.3, 65852.4, and 65852.7 require localities to allow the installation of manufactured housing on single-family lots, limit the imposition of additional architectural requirements or permit review requirements on manufactured housing, and provide that a mobile home park shall be deemed a permitted use on all residentially-zoned land, respectively.

3. *Address and, where appropriate and legally possible, remove government constraints to the maintenance, improvement and development of housing (Section 65583(c)(3)).*

The element identifies the Site Development Permit process as a constraint to the development of the housing and should, therefore, include a program to mitigate the impact of increased development costs and time (page A-56).

4. *The program may include strategies that involve local regulation and technical assistance (Section 65583(c)(6)).*

The program (B3.3.1) to preserve federally assisted multifamily rental units at-risk of conversion to market rate housing should be expanded to identify what additional actions the City will take beyond maintaining a list of qualified entities (see examples of program or policy options described in the Housing Element Questions and Answers, pages 40 & 41).



RECEIVED

JUL 11 2001

CITY OF LAGUNA HILLS

CITY OF LAGUNA HILLS

Community Development

July 10, 2001

Ms. Cathy Creswell
Housing Policy Division
California Department of Housing and Community Development
1800 3rd Street
P.O. Box 952053
Sacramento, CA 94252-2053

RE: City of Laguna Hills Draft Housing Element – Second Submittal

Dear Ms. Creswell:

We are hereby submitting a revised draft Housing Element update to the Department of Housing and Community Development for review. We have revised this draft copy of the "Laguna Hills Housing Element 2000" in response to and in accordance with your letter of comment dated March 13, 2001. The revisions include added narrative and tables (distinguished by ***bold italic font***), deleted narrative, and corrected narrative (distinguished by ***bold italic font***). We have identified location or revisions/responses within the Element, per your list of comments, as follows.

Comment A-1-a – Reference General Plan Appendix A, "Opportunities for the Creation of New Housing: Land Inventory (Government Code Sections 65583, 65583(A))," Page A-32. We have included requested information pertaining to the acreage, current zoning, current uses and residential densities of the Urban Village, Rancho Moulton and Rancho Niguel candidate affordable housing sites.

Comment A-1-b - Reference General Plan Appendix A, "Opportunities for the Creation of New Housing: Land Inventory (Government Code Sections 65583, 65583(A))," Page A-32. We have included the requested description and assessment related to the Urban Village candidate affordable housing site.

Comment A-2-Land Use Controls-a – Reference General Plan Appendix A, "Measure M," Pages A-42 and A-43. We have included a detailed

discussion of Measure M as a potential constraint to residential development within the City.

Comment A-2-Land Use Controls-b – Reference General Plan Appendix A, "Zoning Regulations – Residential Development Standards," Pages A-45 through A-52. We have included a detailed discussion of City of Laguna Hills residential development standards.

Comment A-2-On and Off Site Improvement – Reference General Plan Appendix A, "On Site and Off Site Improvement Requirements," Page A-55. We have included a listing of required on site and off site improvements.

Comment A-Permits, Processing, and Fees-a – Reference General Plan Appendix A, "Site Development Permit," Pages A-54 and A-55. We have included the requested information related to the discretionary Site Development Permit process.

Comment A-Permits, Processing, and Fees-b – Reference General Plan Appendix A, "Discretionary Permit(s) Processing Times," Page A-55. We have included the requested information about discretionary permit processing times in the City.

Comment A-Permits, Processing, and Fees-c – Reference General Plan Appendix A, "Fees and Exactions," Pages A-56 to A-58. We have included the requested information about development fees and revised Table A-20 as noted.

Comment A-Permits, Processing, and Fees-3 - Reference General Plan Appendix A, "Energy Conservation Opportunities," page A-35. We have included a discussion about energy conservation opportunities as requested.

Comment A-Permits, Processing, and Fees-4-a – Reference General Plan Appendix A, "Housing Units Eligible for Conversion," A-13, A-14, and A-16. We have added narrative as requested and revised Table A-14 as noted.

Comment A-Permits, Processing, and Fees-4-b – Reference General Plan Appendix A, "Replacement Costs," Page A-15. We have included a detailed discussion and analysis of replacement costs as requested.

Comment A-Permits, Processing, and Fees-4-c – Reference General Plan Appendix A, "Public and Private Non-Profits," Pages A-36 – A-40. We have included a list of public and private non-profit organizations that have capacity to acquire and manage affordable housing or "at risk" housing developments, as requested.

Comment A-Permits, Processing, and Fees-4-d - Reference "General Plan Implementation and Monitoring Program - Housing Improvement Program - Year 2000 Housing Plan - Public and Private Resources Available for Housing and Community Development Activities." We have included the requested information in Tabular format.

Comment C-1 - Reference "General Plan Implementation and Monitoring Program - Housing Improvement Program - Year 2000 Housing Plan," Pages 10 - 17. We have revised the Housing Programs by clarifying the party(ies) responsible for realization of individual Programs and by indicating the duration of each individual Housing Program. The individual Housing Program has been supplemented where necessary.

Comment C-1-B1.1.4 - Reference "General Plan Implementation and Monitoring Program - Housing Improvement Program - Year 2000 Housing Plan," Page 11. We have revised the Housing Programs by clarifying the party(ies) responsible for realization of individual Programs and by indicating the duration of each individual Housing Program. The individual Housing Program has been supplemented where necessary.

Comment C-1-B1.1.5 - Reference "General Plan Implementation and Monitoring Program - Housing Improvement Program - Year 2000 Housing Plan," Page 11. We have revised the Housing Programs by clarifying the party(ies) responsible for realization of individual Programs and by indicating the duration of each individual Housing Program. The individual Housing Program has been supplemented where necessary.

Comment C-1-B1.2.1 & B2.1.1 - Reference "General Plan Implementation and Monitoring Program - Housing Improvement Program - Year 2000 Housing Plan," Pages 11 and 12. We have revised the Housing Programs by clarifying the party(ies) responsible for realization of individual Programs and by indicating the duration of each individual Housing Program. The individual Housing Program has been supplemented where necessary.

Comment C-1-B3.2.1 - Reference "General Plan Implementation and Monitoring Program - Housing Improvement Program - Year 2000 Housing Plan," Page 13. We have revised the Housing Programs by clarifying the party(ies) responsible for realization of individual Programs and by indicating the duration of each individual Housing Program. The individual Housing Program has been supplemented where necessary.

Comment C-1-B5.1.1 - Reference "General Plan Implementation and Monitoring Program - Housing Improvement Program - Year 2000 Housing Plan," Page 15. We have revised the Housing Programs by clarifying the party(ies) responsible for realization of individual Programs and by indicating

the duration of each individual Housing Program. The individual Housing Program has been supplemented where necessary.

Comment C-1-B5.2.3 – Reference “General Plan Implementation and Monitoring Program – Housing Improvement Program – Year 2000 Housing Plan,” Page 16. We have revised the Housing Programs by clarifying the party(ies) responsible for realization of individual Programs and by indicating the duration of each individual Housing Program. The individual Housing Program has been supplemented where necessary.

Comment C-2 – Comment Noted. It remains our position that homelessness is a regional problem and therefore defies accurate and meaningful characterization, analysis, and programmatic solutions within a jurisdictional framework. The City of Laguna Hills is firmly committed to assisting in addressing homelessness within a regional participatory context.

Comment C-3 - Reference “General Plan Implementation and Monitoring Program – Housing Improvement Program – Year 2000 Housing Plan – Housing Program B.3.1.1,” Page 13. We have revised the Housing Program as requested.

Comment C-4 – Comment Noted. The Constraint Analysis has been supplemented; therefore, Housing and Community Development can resume its evaluation of the Adequacy of the City of Laguna Hills programs to remove or mitigate governmental constraints to housing development.

Comment C-5 – Reference “Housing Element consistency with other General Plan Elements,” page A-41. We have included a discussion of Housing Element consistency as requested.

Comment C-6 - Reference General Plan Appendix A, “Building Codes and Enforcement,” Page A-56 and “General Plan Implementation and Monitoring Program – Housing Improvement Program – Year 2000 Housing Plan – Housing Program B.6.1.1,” Page 17. We have included the information and Housing Program requested.

Comment C-7 - Reference “General Plan Implementation and Monitoring Program – Housing Improvement Program – Year 2000 Housing Plan – Housing Program B.3.3.1,” Page 13. We have supplemented the noted Housing Program as requested.

Comment C-Quantified Objectives - Reference “General Plan Implementation and Monitoring Program – Housing Improvement Program – Year 2000 Housing Plan,” Page 10. We have included the requested information about quantified housing construction objectives as requested.

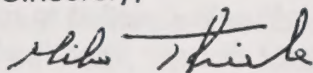
Comment D – Reference "Laguna Hills Housing Element – Introduction," page 3 – "Public Participation." We have added information about public participation in preparation of the Year 2000 Housing Element update as requested.

In addition, we have updated the "Strategies" section (pages 7 – 9) of the "Community Development and Design" Chapter to conform with proposed Housing Plan Policies and Programs.

Please consider that the "Laguna Hills Housing Element 2000" updates the initial element adopted by the City in 1994. The Element is comprised of three separate sections to facilitate its incorporation into the existing City of Laguna Hills General Plan. The three sections are Community Development and Design - Housing; General Plan Implementation and Monitoring Program - Housing Improvement Program; and Appendix A - Population and Housing Assessment. These separate sections comprise the comprehensive updated Housing Element.

Should you have questions or comments, please contact Albert Armijo or me at (949) 553-1427.

Sincerely,



Michael Thiele, AICP

c: Vern Jones
Albert Armijo

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

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March 13, 2001

Mr. Vern Jones, Director
 Planning Agency
 City of Laguna Hills
 25201 Paseo de Alicia, Suite 150
 Laguna Hills, California 92653

RE: Review of the City of Laguna Hills' Draft Housing Element Amendment

Dear Mr. Jones:

Thank you for submitting Laguna Hills' draft housing element received for our review on January 12, 2001. As you know, we are required to review draft housing elements and report our findings to the locality pursuant to Government Code Section 65585(b). A telephone consultation with Mr. Michael Thiele, the City's consultant, on March 12, 2001 facilitated our review. This letter and Appendix summarize the results of that conversation and our review.

Although the element addresses a number of the statutory requirements, revisions are needed to meet the requirements of State housing element law (Article 10.6 of the Government Code). Specifically, the element should expand the analyses of units at-risk and governmental constraints, and strengthen programs to demonstrate the City's commitment to addressing housing needs. The Appendix to this letter outlines the revisions needed to bring the draft element into compliance.

For your information, we have enclosed a brief description of new and existing housing and community development programs administered by this Department along with funding levels for the current fiscal year. We are pleased to report a historic increase in housing funds available through HCD. Information on these programs, including recently released Notices of Funding Availability (NOFAs), has recently been posted to our website. Please consult our homepage at www.hcd.ca.gov for new program information.

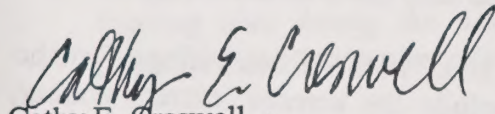
The cooperation and assistance of Mr. Thiele during the review process is greatly appreciated. If the City of Laguna Hills should have any questions or require additional assistance, please contact Margaret Murphy, of our staff, at (916) 445-5888.

Mr. Vern Jones, Director

Page 2

As requested, and in accordance with the Public Records Act, a copy of this letter has been forwarded to the individuals and organizations listed below.

Sincerely,


Cathy E. Creswell
Acting Deputy Director

Enclosures

cc: Albert Armijo, Planner, City of Laguna Hills
Michael Thiele, Consultant, Hogle Ireland
Catherine Ysrael, Supervising Deputy Attorney General, AG's Office
Terry Roberts, Governor's Office of Planning and Research
Kimberley Dellinger, California Building Industry Association
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Ellen Winterbottom, Attorney at Law
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David Booher, California Housing Council
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Joe Carreras, Southern California Association of Governments
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Dara Kovel, Mercy Charities - Housing California
Maya Dunne, St. Joseph Health System

APPENDIX
City of Laguna Hills

The following changes would bring Laguna Hills's draft housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code. The particular program examples or data sources provided are suggestions for your information only. We recognize the City may choose other means of complying with the law.

A. Housing Needs, Resources, and Constraints

1. *Include an inventory of land suitable for residential development, including an analysis of the relationship of zoning and public facilities and services to these sites (Section 65583(a)(3)).*
 - a) Figure A-1 identifies three "candidate affordable housing sites" in the Urban Village, Rancho Niguel, and Rancho Moulton. The element should include the acreage, current zoning, current uses, and residential densities of these sites.
 - b) The element should expand the description of the proposed and allowed uses and assess the realistic potential of residential development in the Urban Village (proposed 113 new attached units at 12 -20 du/ac - Table A-17) within the planning period, demonstrate that affordable housing can be accommodated at less than 20 du/ac.
2. *Analyze land use controls, fees and other exactions required of developers, and local processing and permit procedure as potential and actual governmental constraints upon the development of housing for all income levels (Section 65583(a)(4)).*

The element should include a more complete analysis of governmental constraints including:

Land Use Controls

- a) More fully describe the requirements and analyze the impacts of Measure M as a potential constraint to residential development (page A-31).
- b) Generally describe and analyze residential development standards, including parking and minimum lot size requirements.

On and Off Site Improvement

Include a description of required on and off site improvement requirements.

Permits, Processing, and Fees

- a) Describe the discretionary Site Development Permit (pages A-35 and A-37) including which types of residential uses require such a permit, and the impact on residential development, especially multifamily housing.
- b) While Table 19 describes discretionary permits and review schedules, the element should also describe permit processing times for typical residential developments.

c) While Table 20 provides the schedule for planning and development fees, the element should also include the costs of the initial study and EIR, discretionary permits, and impact fees.

3. *Analyze the opportunities for energy conservation with respect to residential development (Section 65583(a)(7)).*

The element should describe the City's energy conservation efforts in relationship to residential development. Please see the Q & A's.

4. *Analyze existing assisted housing developments that are eligible to change to non-low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of use restrictions (Sections 65583(a)(8)).*

All government assisted multifamily rental units eligible to prepay an assisted mortgage, terminate Section 8 project based rental subsidies, or terminate rental restrictions are considered at-risk and should be included in the analysis. Therefore, the City should not rely heavily on CHPC's "Risk Assessment" report and categories of "risk" to evaluate at-risk units.

a) *Include a listing of each development by project name and address, the type of governmental assistance received, the earliest possible date of change from low-income use and the total number of elderly and nonelderly units that could be lost from the locality's low-income housing stock in each year during the 10 year period (Section 65583(a)(8)(A)).*

The element should include a complete inventory of all at-risk projects including Rancho Moulton and Rancho Niguel, both with a Section 8 opt-out date of 6/17/2001 and 221(d)(4) mortgage prepay date of the 7/1/2002), and any other state or local projects with expiring rent and use restrictions that could be lost from the affordable housing stock in each year during the 10 year inventory period (2000-2010). Chart A-14 should reflect the actual length of affordability controls (Section 8 contracts/mortgage restrictions).

Note: Multifamily for sale housing is not considered part of the federally assisted at risk rental housing inventory and therefore not subject to the required analysis. However, the City may wish to consider the negative impacts of the possible conversion of the Aliso Meadows Condominium and the United Laguna Hills Mutual projects to market rate which would result in a considerable loss of affordable home ownership opportunities. For example, the City might determine how many, if any of these units, are in effect rental housing. In particular, the 22 below market rate United Laguna Hills Mutual cooperative housing projects with HUD mortgages maturing in 2005 represent a significant number of restricted owner-occupied units. The City might identify the type of management cooperative program, whether the corporation is a nonprofit, and verify the number and type of units. Since the element (page A-20) states one United Laguna Mutual project contains 24 one-bedroom units available to people with disabilities, this project serves as a valuable special needs resource that should be conserved.

- b) *Estimate the total cost of producing new rental housing that is comparable in size and rent levels, to replace the units that could change from low-income use, and an estimated cost of preserving the assisted housing developments. (Section 65583(a)(8)(B)).*

The element should include an estimate the costs of replacing units, comparable in size and rent levels, and the cost of preserving the assisted housing developments. The replacement estimate is based on current construction costs and maintenance of project based rent subsidies.

- c) *Identify public and private non-profit corporations known to the local government which have legal and managerial capacity to acquire and manage these housing developments (Section 65583(a)(8)(C)).*

The preservation analysis should also identify local public and private non-profit corporations with the capacity to preserve (acquire and manage) assisted housing developments.

- d) *Identify and consider the use of all federal, state, and local financing and subsidy programs which can be used to preserve, for low income households, the assisted housing developments. In considering the use of these financing and subsidy programs, the analysis shall identify the amounts of funds under each available program which have not been legally obligated for other purposes and which could be available for use in preserving assisted housing developments (Section 65583(a)(8)(D)).*

The element should identify all available federal, state, and local financing and subsidy programs (including, but not limited to, federal Community Development Block Grant Program funds, tax increment funds received by a redevelopment agency of the community, and administrative fees received by a housing authority) and the amounts of funds available for preservation purposes.

(See the Technical Assistance paper on Preservation and the Q & A's).

C. Housing Programs

1. *Include a five-year schedule of actions the local government is undertaking to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs (Section 65583(c))*

The element should be revised to include the lead agency responsible for implementation of each program and specific time frames for all programs. In addition, many of the programs should demonstrate a stronger commitment to implementation and specifically describe the City's role in implementation. The following are examples of some, but not all, programs that require expansion, further strengthening and/or clarification:

B1.1.4 Describe how the City will work with the State Franchise Tax Board to enforce the provisions of California Revenue and Taxation Code Section 17299 and 24436.5; specifically the City's role.

B1.1.5 Expand the description, particularly the assistance to rental property owners, quantify the objectives for the rehabilitation grant/loan program, identify the source of funds, describe the City's role in implementation and how the program will be publicized.

B1.2.1 & B2.1.1 Describe how development proposals for affordable housing opportunities in the Urban Village area will be monitored and the marketing strategy the City will employ to ensure existing owners and prospective developers are aware of affordable housing opportunities within the Urban Village.

B3.2.1 Quantify the income group(s) to be housed in the proposed 8 new rental units, and describe how the City will encourage and facilitate development. . . "within existing multi-family projects."

B5.1.1 Describe the action steps the City will take that could "result in set asides in existing and planned low-income housing projects."

B5.2.3 Expand to include a program for the City to assist nonprofit housing developers in submission of funding applications. See attached list of housing developers in your area.

2. *Identify adequate sites which will be made available through appropriate zoning and development standards and with public service and facilities, needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, factory-built housing, mobilehomes, farmworker housing, emergency shelters and transitional housing (Section 65583(c)(1)(A)).*

The element identifies an unmet homeless need. Although the zoning code establishes site requirements for emergency shelters under the definition of community care facilities serving 12 or fewer persons, this designation may be more appropriate for transitional housing than for emergency shelters. Therefore, element should identify additional sites within the City where emergency shelters are allowed by permit or conditional use. The element should also describe how the City's permitting policies, including the prevailing development standards, facilitate and encourage the development or conversion of existing facilities as emergency shelters and as transitional housing. Additionally, the element should describe the status and reference any MCAS EL Toro Base Closure and/or Reuse Plans applicable to the City and its homeless population.

3. *The housing element shall contain programs which "assist in the development of adequate housing to meet the needs of low- and moderate-income households (Section 65583(c)(2)).*

Given that "residential opportunities exist within the Village Commercial and Mixed Use designations," accessory living quarters/second units are conditional uses in all residential districts, and the City is considered jobs-rich, the City should consider establishing specific programs to encourage and facilitate mixed commercial/residential development in the Village area, and the development of second units to address the housing needs of lower income, renter, and worker households.

4. *Address and, where appropriate and legally possible, remove government constraints to the maintenance, improvement and development of housing (Section 65583(c)(3)).*

Absent a complete constraint analysis, as required in A.2 above, it is not possible to evaluate the adequacy of the City's programs to remove or mitigate governmental constraints to housing development.

5. *Maintain consistency with other general plan elements and community goals ((Section 65583(c)).*

Describe how consistency between the housing element and other elements of the general plan will be achieved and maintained.

6. *Promote equal housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin or color (Section 65583(c)(5)).*

The element includes a goal and a policy related to equal housing opportunities, but should also include a program to promote equal housing opportunities. Specifically, the element should identify the agency responsible for receiving and referring the City's fair housing complaints and describe how and where the City distributes information on fair housing laws, rights and remedies to residents.

7. *Utilize all available federal, state, and local financing and subsidy programs identified in paragraph (8) of subdivision (a), except where a community has other urgent needs for which alternative funding sources are not available. The program may include strategies that involve local regulation and technical assistance (Section 65583(c)(6)).*

As a result of the analysis and cost comparisons, the element should include a program to preserve or replace federally assisted multifamily rental units at-risk of converting to market rate. Examples of appropriate program responses include allocating funds for preservation, identifying qualified entities capable of acquiring and managing these properties, providing on-going technical assistance to tenants, replacing rent subsidies, and responding to federal and state notices. See Q & A's pages 39 – 41 and Housing Element Requirements for Preservation of At-Risk Units.

C. Quantified Objectives

Establish the maximum number of housing units that can be rehabilitated, and conserved (Section 65583(b)(1 & 2)).

Although Laguna Hills does not have a regional share allocation for new construction, the element identifies housing needs for special needs groups and for rehabilitation. Objectives for the total number of units by income category that can be constructed, rehabilitated, and conserved/preserved over the planning period should be included in the element. These objectives may include private as well as public activities. This requirement could be addressed by using a matrix like the one provided below.

Income Group	New Construction	Rehabilitation	Conservation
Very Low-Income			
Low-Income			
Moderate-Income			
Above Moderate			
TOTAL			

D. Public Participation

Describe diligent efforts to achieve public participation of all economic segments of the community in the development of the housing element (Section 65583(c)).

The element should describe how all economic segments of the community, especially low-income residents, their representatives, and advocates were involved in the development of the housing element, including opportunities to review and comment on all documents and attachments. See Q & A's page 1 -2.

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